

**Green, LindaE**

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**From:** Ryan Noah Shapiro <ryannoah@mit.edu>  
**Sent:** Thursday, January 12, 2017 1:44 PM  
**To:** FOIA HQ  
**Subject:** Freedom of Information Request (Rex Tillerson)  
**Attachments:** 2017.01.12\_FOIA\_EPA\_Tillerson\_RQ.pdf

Dear EPA,

I am here submitting a FOIPA request in the form of the attached PDF document.

Please review the attached PDF document and respond in accordance with the instructions provided therein.

Do not hesitate to contact me if you have any questions.

Thank you. I appreciate your time and attention to this matter.

-Ryan

Ryan Noah Shapiro  
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<http://web.mit.edu/hasts/graduate/shapiro.html>  
<https://cyber.harvard.edu/people/rshapiro>

We are seeking expedited treatment for the attached request.

1. The requested information is relevant to a subject of public urgency concerning an actual or alleged Federal government activity.

The requested information involves an actual or alleged Federal government activity and there exists an urgent need to inform the public about this activity. There is an urgent need for the requested information because of multiple and ongoing heated controversies related to the 2016 U.S. presidential election.

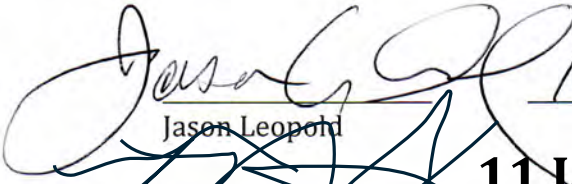
2. We are persons primarily engaged in disseminating information

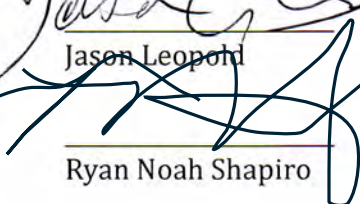
Requestor Jason Leopold is a Senior Investigative Reporter at VICE News.

Requestor Ryan Noah Shapiro is a PhD candidate in the Department of Science, Technology, & Society (HASTS) at the Massachusetts Institute of Technology, as well as a research affiliate at the Berkman Klein Center for Internet & Society at Harvard University, as well as a representative of several news media outlets.

3. Certification

I certify the foregoing to be true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
Jason Leopold  
Date 1-7-17

  
\_\_\_\_\_  
Ryan Noah Shapiro  
Date **11 Jan. 2017**

12 Jan. 2017

**Freedom of Information and Privacy Acts request:**

To: National Freedom of Information Officer  
U.S. Environmental Protection Agency (EPA)  
1200 Pennsylvania Avenue, NW (2822T)  
Washington, DC 20460

Submitted via email to EPA at [hq.foia@epa.gov](mailto:hq.foia@epa.gov)

This is a request under the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552 and the Privacy Act, 5 U.S.C. § 552a. This request should be considered under both statutes to maximize the release of records. The instant request is a request for any and all responsive records maintained by the EPA, including but not limited to any and all responsive records maintained by any and all components of the EPA.

REQUESTER INFORMATION

**Requestor 1**

Ryan Noah Shapiro  
Doctoral Candidate  
Department of Science, Technology, & Society  
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c/o Law Office of Jeffrey L. Light  
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Washington, DC 20006

**Requestor 2**

Jason Leopold  
Senior Investigative Journalist  
Vice News

c/o Law Office of Jeffrey L. Light  
1712 Eye St., NW  
Suite 915  
Washington, DC 20006

**Purpose of Request:** Journalistic and scholarly research/Public dissemination of analysis of requested disclosure.

### RECORDS SOUGHT

We request disclosure of:

**1) Any and all records constituting, mentioning, or referring to any and all correspondence and/or other communications from, to, mentioning, or referring to Rex Wayne Tillerson (aka Rex Tillerson).**

This includes but is not limited to any and all emails, memoranda, letters, cables, phone records, written communications, and electronic communications.

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**2) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and climate change, global warming, and/or climate risk.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**3) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and climate change, global warming, and/or climate risk.**

The chronological scope of this section is 1 Jan. 2010 through the date of first substantive search for records responsive to this request.

**4) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Russia.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**5) Any and all records mentioning or to both ExxonMobil (aka Exxon Mobil aka Exxon) and Russia.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**6) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Vladimir Putin.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**7) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Vladimir Putin.**

The chronological scope of this section is 1 Jan. 1989 through the date of first substantive search for records responsive to this request.

**8) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Iran.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**9) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Iran.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**10) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Sudan.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**11) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Sudan.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**12) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Syria.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**13) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Syria.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**14) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Nigeria.**

The chronological scope of this section is 1 Jan. 2008 through the date of first substantive search for records responsive to this request.

**15) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Nigeria.**

The chronological scope of this section is 1 Jan. 2008 through the date of first substantive search for records responsive to this request.

**16) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and trade sanctions.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**17) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and trade sanctions.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**18) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and waivers regarding trade sanctions.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**19) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and waivers regarding trade sanctions.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**20) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and human rights abuses.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**21) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and human rights abuses.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**22) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and conflicts of interest.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**23) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Infineum.**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**24) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Infineum.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**25) Any and all other records mentioning or referring to Infineum.**

This includes but is not limited to any and all records mentioning or referring to both Infineum and Iran, Syria, and/or Sudan.

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**26) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and the American Legislative Exchange Council (ALEC).**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**27) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and the American Legislative Exchange Council (ALEC).**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**28) Any and all other records mentioning or referring to the American Legislative Exchange Council (ALEC).**

The chronological scope of this section is 1 Jan. 1973 through the date of first substantive search for records responsive to this request.

**29) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and the Federalist Society for Law and Public Policy Studies (aka Federalist Society).**

The chronological scope of this section is 1 Jan. 1982 through the date of first substantive search for records responsive to this request.



**30) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and the Federalist Society for Law and Public Policy Studies (aka Federalist Society).**

The chronological scope of this section is 1 Jan. 1982 through the date of first substantive search for records responsive to this request.

**31) Any and all other records mentioning or referring to the Federalist Society for Law and Public Policy Studies (aka Federalist Society).**

The chronological scope of this section is 1 Jan. 1982 through the date of first substantive search for records responsive to this request.

**32) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and the Washington Legal Foundation.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**33) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and the Washington Legal Foundation.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**34) Any and all other records mentioning or referring to the Washington Legal Foundation.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**35) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and the Mountain States Legal Fund.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**36) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and the Mountain States Legal Fund.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**37) Any and all other records mentioning or referring to the Mountain States Legal Fund.**

The chronological scope of this section is 1 Jan. 1977 through the date of first substantive search for records responsive to this request.

**38) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and the National Black Chamber of Commerce.**

The chronological scope of this section is 1 Jan. 1993 through the date of first substantive search for records responsive to this request.

**39) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and the National Black Chamber of Commerce.**

The chronological scope of this section is 1 Jan. 1993 through the date of first substantive search for records responsive to this request.

**40) Any and all other records mentioning or referring the National Black Chamber of Commerce.**

The chronological scope of this section is 1 Jan. 1993 through the date of first substantive search for records responsive to this request.

**41) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and InsideClimate News (aka InsideClimate, aka Inside Climate, aka Inside Climate News).**

The chronological scope of this section is 1 Jan. 2007 through the date of first substantive search for records responsive to this request.

**42) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and InsideClimate News (aka InsideClimate, aka Inside Climate, aka Inside Climate News).**

The chronological scope of this section is 1 Jan. 2007 through the date of first substantive search for records responsive to this request.

**43) Any and all other records mentioning or referring to InsideClimate News (aka InsideClimate, aka Inside Climate, aka Inside Climate News).**

The chronological scope of this section is 1 Jan. 2007 through the date of first substantive search for records responsive to this request.

**44) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and New York Attorney General Eric Schneiderman.**

The chronological scope of this section is 1 Jan. 2015 through the date of first substantive search for records responsive to this request.

**45) Any and all records mentioning or mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and New York Attorney General Eric Schneiderman.**

The chronological scope of this section is 1 Jan. 2015 through the date of first substantive search for records responsive to this request.

**46) Any and all records constituting, mentioning, or referring to Rep. Ted Lieu and Rep. Mark DeSaulnier's 14 Oct. 2015 request to the Department of Justice (DOJ) that the DOJ Lynch launch a federal investigation of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**47) Any and all records constituting, mentioning, or referring to the DOJ's referral to the FBI of Rep. Ted Lieu and Rep. Mark DeSaulnier's 14 Oct. 2015 request to the Department of Justice (DOJ) that the DOJ Lynch launch a federal investigation of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**48) Any and all records constituting, mentioning, or referring to the 30 Oct. 2015 request from leading environmental groups to the Department of Justice (DOJ) that the DOJ Lynch launch a federal investigation of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**49) Any and all records constituting, mentioning, or referring to Rep. Ted Lieu and Rep. Mark DeSaulnier's 30 Oct. 2015 request to the Securities and Exchange Commission (SEC) that the SEC launch a federal investigation of ExxonMobil.**

The chronological scope of this section is 30 Oct. 2015 through the date of first substantive search for records responsive to this request.

**50) Any and all records constituting, mentioning, or referring to any and all actual, proposed, considered, and/or rejected Department of Justice investigations of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**51) Any and all records constituting, mentioning, or referring to any and all actual, proposed, considered, and/or rejected FBI investigations of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**52) Any and all records constituting, mentioning, or referring to any and all actual, proposed, considered, and/or rejected Securities and Exchange Commission (SEC) investigations of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**53) Any and all records constituting, mentioning, or referring to any and all actual, proposed, considered, and/or rejected U.S. state investigations of ExxonMobil.**

This includes but is not limited to any and all New York, Massachusetts, and/or California investigations of ExxonMobil.

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**54) Any and all records constituting, mentioning, or referring to any and all actual, proposed, considered, and/or rejected U.S. Virgin Islands investigations of ExxonMobil.**

The chronological scope of this section is 14 Oct. 2015 through the date of first substantive search for records responsive to this request.

**55) Any and all records constituting, mentioning, or referring to any and all interventions by the Texas Attorney General against the U.S. Virgin Islands investigation of ExxonMobil.**

The chronological scope of this section is 16 May 2016 through the date of first substantive search for records responsive to this request.

**56) Any and all records constituting, mentioning, or referring to any and all interventions by the Texas Attorney General against the Massachusetts investigations of ExxonMobil.**

The chronological scope of this section is 16 May 2016 through the date of first substantive search for records responsive to this request.

**57) Any and all records constituting, mentioning, or referring to any and all other interventions by the Texas Attorney General against any and all other investigations of ExxonMobil.**

The chronological scope of this section is 16 May 2016 through the date of first substantive search for records responsive to this request.

**58) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and #ExxonKnew (aka ExxonKnew, aka Exxon Knew).**

The chronological scope of this section is 1 Jan. 2015 through the date of first substantive search for records responsive to this request.

**59) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and #ExxonKnew (aka ExxonKnew, aka Exxon Knew).**

The chronological scope of this section is 1 Jan. 2015 through the date of first substantive search for records responsive to this request.

**60) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Iraq.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**61) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Iraq.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**62) Any and all records mentioning or referring to both Rex Wayne Tillerson (aka Rex Tillerson) and Kurdistan.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**63) Any and all records mentioning or referring to both ExxonMobil (aka Exxon Mobil aka Exxon) and Kurdistan.**

The chronological scope of this section is 1 Jan. 2000 through the date of first substantive search for records responsive to this request.

**64) Any and all other records mentioning or referring to Rex Wayne Tillerson (aka Rex Tillerson).**

The chronological scope of this section is 1 Jan. 1975 through the date of first substantive search for records responsive to this request.

**65) For each record in which a subject or subjects of our request appear in any capacity, regardless of the type of search that located that record, we request disclosure of the entire file (or files) in which that record is contained, regardless of whether all records in that file**

(or files) constitute or refer or relate to a subject or subjects of our request. Further, our request is for entire files, including but not limited to all sub-files of any sort, including but not limited to all serials.

**66)** We request disclosure of any and all records mentioning or referring to the destruction of any records responsive or potentially responsive to any of the subjects and search criteria provided in “Records Sought” of the instant request. This includes but is not limited to any and all records mentioning or referring to the events, procedures, and/or decisions leading to the destruction of said records, as well as any and all documentation mentioning or referring to said destruction. This also includes but is not limited to any and all logs and/or lists of files destroyed.

### **ADDITIONAL INFORMATION**

The following information is provided in order to assist the agency in locating the requested records. It is not intended to limit the scope of our request.

ExxonMobil (aka Exxon Mobil, aka Exxon Mobil Corporation, aka ExxonMobil Corporation, aka Exxon) is an American multinational oil and gas corporation headquartered in Irving, Texas. It is the largest direct descendant of John D. Rockefeller's Standard Oil Company, and was formed on 30 Nov. 1999 by the merger of Exxon (formerly Standard Oil Company of New Jersey) and Mobil (formerly the Standard Oil Company of New York).

Attached as “Addendum A” is *Wikipedia’s* entry for “Rex Tillerson”.<sup>1</sup> Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Rex Wayne Tillerson was born on 23 March 1952 in Wichita Falls, Texas.

Tillerson was the CEO of ExxonMobil from 2006 to 2016. Tillerson is a longtime Republican.

Tillerson was hired by Exxon in 1975 as a production engineer. In 1989, Tillerson was promoted to general manager of the central production division of Exxon USA. In 1995, he became President of Exxon Yemen Inc. and Esso Exploration and Production Khorat Inc.

In 1998, Tillerson became a vice president of Exxon Ventures and president of the U.S.-Russian oil company Exxon Neftegas Limited. This role gave him responsibility for Exxon’s holdings in Russia and the Caspian Sea, and is one of the roots of Tillerson’s long-standing,

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<sup>1</sup> [https://en.wikipedia.org/wiki/Rex\\_Tillerson](https://en.wikipedia.org/wiki/Rex_Tillerson) (Viewed 11 Jan. 2017)

close professional and personal relationship with Russian President Vladimir Putin. Tillerson is also close with Igor Sechin, the leader of the Kremlin's Siloviki (security/military) who is "widely believed to be Russia's second-most powerful person" after President Putin.

In 2006, Tillerson was elected chairman and chief executive officer (CEO) of ExxonMobil. In 2011, Tillerson signed an agreement on behalf of ExxonMobil for drilling in a Russian controlled area of the Arctic. When sanctions against Russia were introduced during the Ukrainian crisis in 2014, the drilling project was halted, and Tillerson emerged as a vocal critic of sanctions.

In 2011, on behalf of ExxonMobil, Tillerson signed an agreement with Russia for drilling in the Arctic valued at roughly \$300 billion. ExxonMobil began drilling in the Kara Sea in the Summer of 2014. Sanctions against Russia introduced in September of 2014 due to the Ukrainian crisis almost brought the project to a halt in mid-September. However, under Tillerson, ExxonMobil secured a temporary reprieve from the sanctions. This enabled ExxonMobil to discover a major new oil field of immense value to Russia.

In 2013, Tillerson was awarded the Order of Friendship by Russian President Putin for his and ExxonMobil contribution to the Russian oil industry.

In January 2017, it was revealed that from 2003-2005, Infineum, an ExxonMobil subsidiary, conducted business with Iran, Syria, and Sudan while those states were under US sanctions.<sup>2</sup> On this topic, Sen. Bob Menendez of New Jersey, the ranking Democrat on the Foreign Relations panel, said he was "deeply skeptical about Mr. Tillerson's actions as CEO of Exxon that were in direct contravention to express United States policies put in place to secure Americans and our country."<sup>3</sup>

A major oil deal struck by ExxonMobil with the Nigerian Government is being investigated by Nigeria's Economic and Financial Crimes Commission, a law enforcement agency that investigates high-level corruption, Global Witness revealed on 24 June 2016. According to the international investigative NGO, Global Witness, ExxonMobil's Nigeria deal "highlights the need for the U.S. Securities and Exchange Commission (SEC) to create strong transparency rules for oil companies."<sup>4</sup> Global Witness continues that the Nigerian government's probe of the ExxonMobil deal "centers on a protracted and controversial deal agreed by ExxonMobil and the Nigerian Government in 2009 to renew three lucrative oil licences, which at the time accounted for around a quarter of Nigeria's entire oil

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<sup>2</sup> <http://www.usatoday.com/story/news/world/2017/01/09/exxonmobil-and-iran-did-business-under-secretary-state-nominee-tillerson/96359776/> ;  
<http://www.cnn.com/2017/01/09/exxonmobil-and-iran-did-business-under-secretary-of-state-nominee-tillerson.html>

<sup>3</sup> <http://www.usatoday.com/story/news/world/2017/01/09/exxonmobil-and-iran-did-business-under-secretary-state-nominee-tillerson/96359776/>

<sup>4</sup> <https://www.globalwitness.org/en/press-releases/probe-murky-exxonmobil-deal-shows-need-tough-oil-transparency-rules/>



production. ExxonMobil reportedly agreed to pay \$600 million to renew the licences and construct a power plant at a cost of \$900 million to the company, making a total contribution of \$1.5 billion. Yet documents seen by Global Witness indicate the Nigerian Government may have valued the licenses at \$2.55 billion, and that the Chinese oil major CNOOC offered to pay \$3.75 billion for the same licences – over six times the amount reportedly paid by ExxonMobil.”<sup>5</sup>

In 2011, Tillerson, on behalf of ExxonMobil, signed a deal to develop oil fields in the autonomous region of Iraqi Kurdistan. The agreement was in defiance of Iraqi law, which forbids companies from dealing directly with Iraqi Kurdistan.

Tillerson is also a trustee for the Center for Strategic and International Studies, as well as for the American Petroleum Institute. He is also a member of the Business Roundtable. Tillerson was a member of the executive committee of The Business Council for 2011 and 2012.

Tillerson is a longtime volunteer with the Boy Scouts of America (BSA), and was the BSA national president from 2010 through 2012.

Tillerson’s views on climate change, as well as his climate change (and climate change denialist) related activities while at ExxonMobil, are ambiguous and the subject of heated controversy<sup>6</sup>

Widespread speculation that President-elect Donald Trump would nominate Tillerson for Secretary of State began in early December 2016. On 13 December 2016, Trump announced Tillerson would be his nominee for Secretary of State.

Tillerson’s nomination for Secretary of State is loudly decried by environmental, progressive, scientific, human rights, and ethics organizations as “‘unfathomable’ and ‘an epic mistake’ and [proof that President-elect Trump is] creating ‘a government of, by, and for the oil and gas industry’”.<sup>7</sup>

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<sup>5</sup> <https://www.globalwitness.org/en/press-releases/probe-murky-exxonmobil-deal-shows-need-tough-oil-transparency-rules/>

<sup>6</sup> <http://www.independent.co.uk/news/people/donald-trump-secretary-state-rex-tillerson-exxon-mobil-cover-up-climate-change-threat-lawsuit-a7518006.html>;  
[http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52);  
[http://www.nytimes.com/2016/12/28/business/energy-environment/rex-tillerson-secretary-of-state-exxon.html?\\_r=0](http://www.nytimes.com/2016/12/28/business/energy-environment/rex-tillerson-secretary-of-state-exxon.html?_r=0); <http://www.polluterwatch.com/rex-tillerson>;  
<https://www.theguardian.com/us-news/2016/dec/15/rex-tillerson-environmental-record-exxonmobil>

<sup>7</sup> <https://www.theguardian.com/us-news/2016/dec/15/rex-tillerson-environmental-record-exxonmobil>; <https://www.thenation.com/article/this-monday-join-protests-across-the-country-to-block-trumps-climate-denying-cabinet-picks/>; <http://www.cnn.com/2016/12/13/politics/rex-tillerson-secretary-of-state-controversy/> ;  
[http://inthesetimes.com/features/rex\\_tillerson\\_exxon\\_trump\\_secretary\\_of\\_state.html](http://inthesetimes.com/features/rex_tillerson_exxon_trump_secretary_of_state.html)

Even some business organizations and media are wary of Tillerson's nomination for Secretary of State, as a result of Tillerson's clear conflicts of interest regarding Russia.<sup>8</sup>

Even Republican Sen. John McCain (R-AZ) has plainly stated, "It's a matter of concern to me that [Tillerson] has such a close personal relationship with Vladimir Putin. And obviously they've done enormous deals together. That — that would color his approach to Vladimir Putin and the Russian threat."<sup>9</sup>

Tillerson's and ExxonMobil's recent efforts to limit Tillerson's conflicts of interest have done little to quell opposition to Tillerson's nomination.<sup>10</sup>

Any potential privacy interest held by Tillerson in the requested records is greatly diminished by Tillerson's decades as a high profile, outspoken, controversial leading role at one of the largest, most powerful, and most controversial corporations in the world, as well as his current efforts to secure the position of Secretary of State of the United States. Additionally, the public interest in the disclosure of the requested records is great and outweighs any privacy interest of Tillerson. As detailed repeatedly herein, Tillerson is an extremely controversial selectee for one of the most powerful government offices in the United States; Tillerson was selected for the office by an extremely controversial U.S. President-elect; who was himself elected to the U.S. presidency in perhaps the most controversial and contested election in modern U.S. history. The American public is in desperate need of disclosure of the requested records in order to better know and assess Tillerson's records, now that he has been selected by President-elect Trump for Attorney General of the United States. The public is also in need of the requested disclosures in order to know and assess the operations of the EPA and broader government in these and related matters.

Founded in 1973, the American Legislative Exchange Council (ALEC) is a leading politically conservative nonprofit organization comprised of legislative and private sector members. Based out of Washington, DC, ALEC operates nationally. ALEC's primary function is to craft and promote corporate friendly legislation at the state and to a lesser extent federal levels. ALEC has actively pushed climate change denialist disinformation and worked to undermine environmental protections.<sup>11</sup> Under Tillerson, ExxonMobil has generously

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<sup>8</sup> <http://www.businessinsider.com/rex-tillerson-exxon-mobil-russia-2016-12>;  
<http://www.wsj.com/articles/deals-with-vladimir-putin-helped-fuel-rise-of-secretary-of-state-nominee-rex-tillerson-1481626925>

<sup>9</sup> <http://www.rollingstone.com/politics/news/opposition-to-exxon-ceos-secretary-of-state-bid-intensifies-w455339>

<sup>10</sup> <http://www.latimes.com/business/la-fi-rex-tillerson-exxon-20170104-story.html>;  
<https://www.bloomberg.com/politics/articles/2017-01-08/tillerson-ethics-plan-foreshadows-knotty-trump-confirmations>

<sup>11</sup> [http://www.sourcewatch.org/index.php/American\\_Legislative\\_Exchange\\_Council](http://www.sourcewatch.org/index.php/American_Legislative_Exchange_Council);  
[http://www.alecexposed.org/wiki/Environment,\\_Energy,\\_and\\_Agriculture](http://www.alecexposed.org/wiki/Environment,_Energy,_and_Agriculture)

funded ALEC's efforts.<sup>12</sup> ALEC is also a leading opponent of the animal rights movement and was affiliated with the successful passage of the 2006 Animal Enterprise Terrorism Act (AETA) (18 U.S.C. § 43) (Pub.L. 109-374).

Attached as "Addendum B" is *Wikipedia's* entry for "American Legislative Exchange Council".<sup>13</sup> Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Attached as "Addendum C" is *SourceWatch.org's* entry for "American Legislative Exchange Council".<sup>14</sup> Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Founded in 1982, the Federalist Society for Law and Public Policy Studies (aka the Federalist Society) is a leading organization of conservatives and libertarians which aims to reform the American legal system according to an originalist interpretation of the U.S. Constitution. Based out of Washington D.C., the Federalist Society operates nationally. The Federalist Society's primary function is to influence policy on the Federal level within government institutions. The group is best known for their annual national lawyers convention which is one of the most high profile annual conservative events in the nation. The Federalist Society has actively pushed climate change denialist disinformation. Under Tillerson, ExxonMobil has generously funded the Federalist Society's efforts.<sup>15</sup>

The Washington Legal Foundation (WLF) was founded in 1977 with a stated mission of fighting "activist lawyers, regulators, and intrusive government agencies at the federal and state levels, in the courts and regulatory agencies across the country." Based in Washington, D.C. and operating nationally, WLF is a non-profit organization which promotes a strongly conservative agenda stressing free-market and pro-business positions. WLF has a long-standing relationship with the tobacco industry and has repeatedly opposed the EPA and Clean Water Act. WLF has actively pushed climate change denialist disinformation. Under Tillerson, ExxonMobil has generously funded WLF's efforts.<sup>16</sup>

The Mountain States Legal Foundation (MSLF) was founded in 1977 in Colorado, where it is still headquartered today. MSLF was founded by western business leaders concerned that advocates for constitutional liberties, property rights, and economic activity were not present during important legal battles. MSLF is a non-profit organization which promotes a

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<sup>12</sup> [http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52)

<sup>13</sup> [https://en.wikipedia.org/wiki/American\\_Legislative\\_Exchange\\_Council](https://en.wikipedia.org/wiki/American_Legislative_Exchange_Council) (Viewed 10 Jan. 2017)

<sup>14</sup> [http://www.sourcewatch.org/index.php/American\\_Legislative\\_Exchange\\_Council](http://www.sourcewatch.org/index.php/American_Legislative_Exchange_Council) (Viewed 10 Jan. 2017)

<sup>15</sup> [http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52)

<sup>16</sup> [http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52)

strongly conservative agenda. MSLF has actively pushed climate change denialist disinformation. Under Tillerson, ExxonMobil has generously funded MSLF's efforts.<sup>17</sup>

The National Black Chamber of Commerce (NBCC) was founded in 1993 in Washington, D.C. Today, NBCC maintains over 190 chapters across the U.S., with additional chapters globally. NBCC is a non-profit organization which purports to be non-partisan but in practice appears to strongly favor a conservative agenda. MSLF is a non-profit organization which promotes a strongly conservative agenda. NBCC has actively pushed climate change denialist disinformation. Under Tillerson, ExxonMobil has generously funded NBCC's efforts.<sup>18</sup>

Attached as "Addendum D" is a 9 Jan. 2017 *Huffington Post* article discussing Rex Tillerson, ExxonMobil, the above-noted Tillerson/ExxonMobil donations to climate change denialist groups including ALEC, The Federalist Society for Law and Public Policy, the Washington Legal Foundation, the National Black Chamber of Commerce, and the Mountain States Legal Fund.

Infinium is a European-based joint corporate venture of ExxonMobil and the Shell Corporation. In 2002, 2003, 2004, and 2005, Infinuem engaged in lucrative transactions with Iran, Sudan, and Syria, all three of which were U.S. designated official state sponsors of terrorism.<sup>19</sup>

Attached as "Addendum E" is a 9 Jan. 2017 *USA Today* article discussing Rex Tillerson, ExxonMobil, Infineum, and the above-noted Infinuem transactions with Iran, Syria, and Sudan. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Vladimir Vladimirovich Putin (aka Vladimir Putin) is a former Soviet KGB agent who is now the President of Russia. Putin has served as either President or Prime Minister of Russia since 1999. As discussed above, Putin has long hold close business and personal ties with Rex Tillerson and ExxonMobil. Putin has also long maintained ties with U.S. President Elect Donald Trump. The United States Intelligence community has publicly accused Putin of ordering a successful Russian hacking, propaganda, and disinformation campaign to interfere with the U.S. 2016 presidential election in order to assist the candidacy of then Republican candidate Donald Trump, as well as to undermine faith in American democratic institutions more broadly.<sup>20</sup>

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<sup>17</sup> [http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52)

<sup>18</sup> [http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations\\_us\\_5873a3f4e4b043ad97e48f52](http://www.huffingtonpost.com/entry/tillerson-exxon-climate-donations_us_5873a3f4e4b043ad97e48f52)

<sup>19</sup> <http://www.usatoday.com/story/news/world/2017/01/09/exxonmobil-and-iran-did-business-under-secretary-state-nominee-tillerson/96359776/>

<sup>20</sup> <http://www.cnn.com/2017/01/06/politics/intelligence-report-putin-election/>

On 14 Oct. 2015, Democratic Representatives Ted Lieu and Mark DeSaulnier, both from California, requested U.S. Attorney General Loretta Lynch launch a federal racketeering investigation of ExxonMobil for spreading and funding the spread of climate change denialist disinformation.<sup>21</sup>

On 30 Oct. 2015, Rep. Lieu and Rep. DeSaulnier requested that the Securities and Exchange Commission (SEC) open a fraud probe against ExxonMobil for spreading and funding the spread of climate change denialist disinformation.<sup>22</sup>

On 20 Sept. 2016, *CNBC* reported that the Securities and Exchange Commission (SEC) is investigating ExxonMobil in relation to climate change matters.<sup>23</sup>

Attached as “Addendum F” is the 20 Sept. 2016 *CNBC* article reporting that the Securities and Exchange Commission (SEC) is investigating ExxonMobil in relation to climate change matters. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Forty leading U.S. environmental and social-justice organizations, including the Environmental Defense Fund, Sierra Club, and Natural Resources Defense Council signed a 30 Oct. 2015 letter to U.S. Attorney General Loretta Lynch also demanding a racketeering probe of ExxonMobil related to ExxonMobil climate change policies.<sup>24</sup>

Attached as “Addendum G” is the 30 Oct. 2015 letter to U.S. Attorney General Loretta Lynch from forty leading U.S. environmental and social-justice organizations demanding a racketeering probe of related to ExxonMobil climate change policies.<sup>25</sup> Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request. The portion of Addendum G constituting the letter is highlighted.

On 12 Jan. 2016, in response to Democratic Representatives Ted Lieu and Mark DeSaulnier’s 14 Oct. 2015 request to Attorney General Loretta Lynch to launch a federal

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<sup>21</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>22</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>23</sup> The *CNBC* article states that. “The Securities and Exchange Commission is reportedly investigating Exxon Mobil over how it factors in climate risk in pricing its projects.” <http://www.cnbc.com/2016/09/20/sec-investigating-exxon-mobil-on-climate-change-accounting-practices-report.html>. Also see: <http://www.wsj.com/articles/sec-investigating-exxon-on-valuing-of-assets-accounting-practices-1474393593>; <https://www.wired.com/2016/09/governments-top-financial-regulator-investigating-exxonmobil/>

<sup>24</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>25</sup> <http://www.commondreams.org/news/2015/10/30/seething-anger-probe-demanded-exxons-unparalleled-climate-crime>

racketeering investigation of ExxonMobil for spreading and funding the spread of climate change denialist disinformation, the DOJ informed Reps. Lieu and DeSaulnier by letter that the DOJ had forwarded their request to the FBI for consideration by the FBI.

Attached as “Addendum H” is the 12 Jan. 2016 letter from the DOJ to Reps. Lieu and DeSaulnier informing the Reps. of the DOJ’s referral of the Reps. request regarding ExxonMobil to the FBI. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.

Eric Tradd Schneiderman (born 31 December 1954Y, NY) is an American attorney and politician. He serves as the 65th and current New York Attorney General. He is a member of the Democratic Party. Prior to becoming Attorney General, Schneiderman served in the New York State Senate.<sup>26</sup>

On 4 Nov. 2015, New York Attorney General Eric Schneiderman opened a formal investigation into whether Exxon had misled investors and regulators about climate change.<sup>27</sup>

Hours after New York Attorney General Schneiderman issued his subpoena on 4 Nov. 2015, ExxonMobil CEO Tillerson went on Fox Business Network and asserted, “The charges are pretty unfounded, without any substance at all [...] And they’re dealing with a period of time that happened decades ago, so there’s a lot I could say about it. I’m not sure how helpful it would be for me to talk about it.”<sup>28</sup>

On 20 Jan. 2016, the *Los Angeles Times* reported that California Attorney General California Atty. Gen. Kamala D. Harris had also opened a formal investigation into whether Exxon had misled investors and regulators about climate change.<sup>29</sup>

Attached as “Addendum I” is a 20 Jan. 2016 *Los Angeles Times* article regarding the California investigations of ExxonMobil. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.<sup>30</sup>

In March 2016, Attorneys General Maura Healey of Massachusetts, and Attorney General Claude Walker of the U.S. Virgin Islands, also opened investigations of ExxonMobil pertaining to related climate change matters.<sup>31</sup>

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<sup>26</sup> [https://en.wikipedia.org/wiki/Eric\\_Schneiderman](https://en.wikipedia.org/wiki/Eric_Schneiderman)

<sup>27</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>28</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>29</sup> <http://www.latimes.com/business/la-fi-exxon-global-warming-20160120-story.html>

<sup>30</sup> <http://www.latimes.com/business/la-fi-exxon-global-warming-20160120-story.html>

<sup>31</sup> <https://www.texastribune.org/2016/06/27/texas-paxton-exxon-virgin-islands-climate/>

Attached as “Addendum J” is a 29 March 2016 *U.S. News & world Report* article regarding the Massachusetts and U.S. Virgin Islands investigations of ExxonMobil. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.<sup>32</sup>

On 16 May 2016, Texas Attorney General Ken Paxton intervened against the U.S. Virgin Islands investigation of (Teas-based) ExxonMobil.<sup>33</sup>

Attached as “Addendum K” is a 27 June 2016 *Texas Tribune* article regarding Texas intervening against the U.S. Virgin Islands investigation of ExxonMobil investigations of ExxonMobil. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.<sup>34</sup>

The public campaign surrounding and promoting the effort to link ExxonMobil to climate change denialism, and to investigate and prosecute ExxonMobil for so doing, is referred to and associated with the social media hashtag “#ExxonKnew” (aka ExxonKnew, aka Exxon Knew).<sup>35</sup>

Founded in 2007, *InsideClimate News* (aka Inside Climate News, aka InsideClimate, aka Inside Climate) is a Brooklyn, New York-based "non-profit, non-partisan news organization that covers clean energy, carbon energy, nuclear energy and environmental science."

In April 2016, *InsideClimate News* was named a Pulitzer Prize finalist in the "Public Service" category for *InsideClimate News*' 2015 series, "Exxon: The Road Not Taken series", which is "a probe into a major oil company's decades-long misinformation campaign to muddy the debate over climate change." *InsideClimate News* was also awarded a 2015 Sigma Delta Chi Award for excellence in journalism by the Society of Professional Journalists for the informational graphics in the "Exxon: The Road Not Taken series", which "provide a visual timeline of Exxon's views and efforts on climate change since the 1970s, and evidence of its uncertainty campaigns in the 1990s and 2000s." The White House Correspondents Association also awarded *InsideClimate News* a share in the 2016 Edgar A. Poe Award for the Exxon: The Road Not Taken series.<sup>36</sup>

A 9 Jan. 2017 *Washington Post* article asserts that under Tillerson, beginning in 2011, ExxonMobil undermined U.S. national interests in Iraq and Iraqi Kurdistan in order to

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<sup>32</sup> <http://www.usnews.com/news/business/articles/2016-03-29/us-virgin-islands-massachusetts-launch-probes-into-exxon>

<sup>33</sup> <https://www.texastribune.org/2016/06/27/texas-paxton-exxon-virgin-islands-climate/>

<sup>34</sup> <http://www.usnews.com/news/business/articles/2016-03-29/us-virgin-islands-massachusetts-launch-probes-into-exxon>

<sup>35</sup> <https://www.bloomberg.com/news/articles/2016-09-07/will-exxonmobil-have-to-pay-for-misleading-the-public-on-climate-change>

<sup>36</sup> [https://en.wikipedia.org/wiki/InsideClimate\\_News](https://en.wikipedia.org/wiki/InsideClimate_News)

advance ExxonMobil's own business interests.<sup>37</sup> This included but was not limited to ExxonMobil's deal, overseen by Tillerson, with Iraqi Kurdistan, in defiance of State Department and other U.S. agency recommendations.

Attached as "Addendum L" is the 9 Jan. 2017 *Washington Post* article discussing Tillerson and ExxonMobil's problematic business dealing in Iraq and Iraqi Kurdistan. Incorporate this attachment in its entirety when crafting searches for records responsive to the instant FOIPA request.<sup>38</sup>

Any potential privacy interest held by Tillerson in the requested records is greatly diminished by Tillerson's decades as a high profile, outspoken, controversial executive of the one of the most powerful multinational corporations on the planet, as well as his current effort to secure the position of Secretary of State of the United States. Additionally, the public interest in the disclosure of the requested records is great and outweighs any privacy interest of Tillerson. As detailed herein, Tillerson is an extremely controversial selectee for one of the most powerful government offices in the United States; Tillerson was selected for the office by an extremely controversial U.S. President-elect; who was himself elected to the U.S. presidency in perhaps the most controversial and contested election in modern U.S. history. The American public is in desperate need of disclosure of the requested records in order to better know and assess Tillerson's record, now that Tillerson has been selected by President-elect Trump for Secretary of State of the United States. The public is also in need of the requested disclosures in order to know and assess the operations of the EPA and broader government in these and related matters.

### INSTRUCTIONS REGARDING SEARCH

#### 1. *Instructions Regarding "Leads":*

As required by the relevant case law, the agency should follow any leads it discovers during the conduct of its searches and perform additional searches when said leads indicate that records may be located in another system. Failure to follow clear leads is a violation of FOIA.

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<sup>37</sup> [https://www.washingtonpost.com/world/national-security/how-exxon-under-rex-tillerson-won-iraqi-oil-fields-and-nearly-lost-iraq/2017/01/09/5f6efa28-d40c-11e6-9cb0-54ab630851e8\\_story.html?utm\\_term=.51431c198fbc](https://www.washingtonpost.com/world/national-security/how-exxon-under-rex-tillerson-won-iraqi-oil-fields-and-nearly-lost-iraq/2017/01/09/5f6efa28-d40c-11e6-9cb0-54ab630851e8_story.html?utm_term=.51431c198fbc)

<sup>38</sup> [https://www.washingtonpost.com/world/national-security/how-exxon-under-rex-tillerson-won-iraqi-oil-fields-and-nearly-lost-iraq/2017/01/09/5f6efa28-d40c-11e6-9cb0-54ab630851e8\\_story.html?utm\\_term=.51431c198fbc](https://www.washingtonpost.com/world/national-security/how-exxon-under-rex-tillerson-won-iraqi-oil-fields-and-nearly-lost-iraq/2017/01/09/5f6efa28-d40c-11e6-9cb0-54ab630851e8_story.html?utm_term=.51431c198fbc)



2. *Request for Public Records:*

Please search for any records even if they are already publicly available.

3. *Request for Electronic and Paper/Manual Searches:*

We request that searches of all electronic and paper/manual indices, filing systems, and locations for any and all records relating or referring to the subject of my request be conducted. We further request that the agency conduct a search of its “soft files.”

4. *Request for Search of Filing Systems, Indices, and Locations:*

Please search all of your indices, filing systems, and locations, including those we have not specified by name and those of which we may not be aware.

5. *Request regarding Photographs and other Visual Materials:*

We request that any photographs or other visual materials responsive to my request be released to me in their original or comparable forms, quality, and resolution. For example, if a photograph was taken digitally, or if the agency maintains a photograph digitally, we request disclosure of the original digital image file, not a reduced resolution version of that image file nor a printout and scan of that image file. Likewise, if a photograph was originally taken as a color photograph, we request disclosure of that photograph as a color image, not a black and white image. Please contact me for any clarification on this point.

6. *Request for Duplicate Pages:*

We request disclosure of any and all supposedly “duplicate” pages. Scholars analyze records not only for the information available on any given page, but also for the relationships between that information and information on pages surrounding it. As such, though certain pages may have been previously released to us, the existence of those pages within new context renders them functionally new pages. As such, the only way to properly analyze released information is to analyze that information within its proper context. Therefore, we request disclosure of all “duplicate” pages.

7. *Request to Search Emails:*

Please search for emails relating to the subject matter of our request.

8. *Request for Search of Records Transferred to Other Agencies:*

We request that in conducting its search, the agency disclose releasable records even if they are available publicly through other sources outside the agency, such as NARA.

9. *Regarding Destroyed Records*

If any records responsive or potentially responsive to our request have been destroyed, our request includes, but is not limited to, any and all records relating or referring to the destruction of those records. This includes, but is not limited to, any and all records relating or referring to the events leading to the destruction of those records.

### INSTRUCTIONS REGARDING SCOPE AND BREADTH OF REQUESTS

Please interpret the scope of this request broadly. The agency is instructed to interpret the scope of this request in the most liberal manner possible short of an interpretation that would lead to a conclusion that the request does not reasonably describe the records sought.

### EXEMPTIONS AND SEGREGABILITY

We call your attention to President Obama's 21 January 2009 Memorandum concerning the Freedom of Information Act, in which he states:

All agencies should adopt a presumption in favor of disclosure, in order to renew their commitment to the principles embodied in FOIA [...] The presumption of disclosure should be applied to all decisions involving FOIA.<sup>39</sup>

In the same Memorandum, President Obama added that government information should not be kept confidential "merely because public officials might be embarrassed by disclosure, because errors and failures might be revealed, or because of speculative or abstract fears."

Finally, President Obama ordered that "The Freedom of Information Act should be administered with a clear presumption: In the case of doubt, openness prevails."

Nonetheless, if any responsive record or portion thereof is claimed to be exempt from production, FOIA/PA statutes provide that even if some of the requested material is properly exempt from mandatory disclosure, all segregable portions must be released. If documents are denied in part or in whole, please specify which exemption(s) is (are) claimed

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<sup>39</sup> President Barack Obama, "Memorandum for the Heads of Executive Departments and Agencies, Subject: Freedom of Information Act," 21 January 2009;  
<[http://www.whitehouse.gov/the\\_press\\_office/FreedomofInformationAct/](http://www.whitehouse.gov/the_press_office/FreedomofInformationAct/)>

for each passage or whole document denied. Please provide a complete itemized inventory and a detailed factual justification of total or partial denial of documents. Specify the number of pages in each document and the total number of pages pertaining to this request. For “classified” material denied, please include the following information: the classification (confidential, secret or top secret); identity of the classifier; date or event for automatic declassification or classification review or downgrading; if applicable, identity of official authorizing extension of automatic declassification or review past six years; and, if applicable, the reason for extended classification beyond six years.

In excising material, please “black out” the material rather than “white out” or “cut out.” We expect, as provided by FOIA, that the remaining non-exempt portions of documents will be released.

Please release all pages regardless of the extent of excising, even if all that remains are the stationery headings or administrative markings.

In addition, we ask that your agency exercise its discretion to release records which may be technically exempt, but where withholding serves no important public interest.

#### ADDITIONAL INSTRUCTIONS REGARDING REQUEST

Please produce all records with administrative markings and pagination included.

Please send a memo (copy to us) to the appropriate units in your office to assure that no records related to this request are destroyed. Please advise of any destruction of records and include the date of and authority for such destruction.

#### FORMAT

We request that any releases stemming from this request be provided to me in digital format (soft-copy) on a compact disk or other like media.

#### FEE CATEGORY AND REQUEST FOR A FEE WAIVER

Requesters are willing to pay any reasonable expenses associated with this request, however, as the purpose of the requested disclosure is in full conformity with the statutory requirements for a waiver of fees, requesters formally request such a waiver. Requesters request a waiver of all costs pursuant to 5 U.S.C. §552(a)(4)(A)(iii) (“Documents shall be furnished without any charge ... if disclosure of the information is in the public interest because it is likely to contribute significantly to public understanding of the operations or activities of the government and is not primarily in the commercial interest of the requester.”). Disclosure in this case meets the statutory criteria, and a fee waiver would

fulfill Congress's legislative intent in amending FOIA. See *Judicial Watch, Inc. v. Rossotti*, 326 F.3d 1309, 1312 (D.C. Cir. 2003) ("Congress amended FOIA to ensure that it be 'liberally construed in favor of waivers for noncommercial requesters.'").

Under 32 C.F.R. 1900.13(b), "Records will be furnished without charge or at a reduced rate whenever the Agency determines . . . (2) That it is in the public interest because it is likely to contribute significantly to the public understanding of the operations or activities of the United States Government and is not primarily in the commercial interest of the requester." Should requesters' request for a fee waiver be denied, requesters request that they be categorized as a member of the news media for fee purposes pursuant to 32 C.F.R. 1900.02(h)(3). According to 5 U.S.C. § 552(a)(4)(A)(ii), which codified the ruling of *Nat'l Security Archive v. Dep't of Defense*, 880 F.2d 1381 (D.C. Cir. 1989), the term "a representative of the news media" means any person or entity that gathers information of potential interest to a segment of the public, uses its editorial skills to turn the raw materials into a distinct work, and distributes that work to an audience. This is consistent with the definition provided in 32 C.F.R. 1900.02(h)(3).

Requestor Jason Leopold is a Senior Investigative Reporter at VICE News.

Requestor Ryan Noah Shapiro is a PhD candidate in the Department of Science, Technology, & Society (HASTS) at the Massachusetts Institute of Technology, as well as a research affiliate at the Berkman Klein Center for Internet & Society at Harvard University, as well as a representative of several news media outlets.

As the legislative history of FOIA reveals, "It is critical that the phrase 'representative of the news media' be broadly interpreted if the act is to work as expected. . . . In fact, any person or organization which regularly publishes or disseminates information to the public . . . should qualify for waivers as a 'representative of the news media.'" 132 Cong. Rec. S14298 (daily ed. Sept. 30, 1986) (emphasis in original quotation); and 2) "A request by a reporter or other person affiliated with a newspaper, magazine, television or radio station, or other entity that is in the business of publishing or otherwise disseminating information to the public qualifies under this provision." 132 Cong. Rec. H9463 (Oct. 8, 1986) (emphasis in original quotation)). Therefore, in accordance with the Freedom of Information Act and relevant case law, Jason Leopold and Ryan Noah Shapiro, should be considered representatives of the news media.

Ryan Noah Shapiro also requests classification as an educational requestor.

# I. DISCLOSURE OF THE REQUESTED RECORDS IS IN THE PUBLIC INTEREST BECAUSE IT IS LIKELY TO CONTRIBUTE SIGNIFICANTLY TO THE PUBLIC UNDERSTANDING OF THE OPERATIONS AND ACTIVITIES OF THE GOVERNMENT.

A. ExxonMobil CEO Rex Tillerson is one of the most controversial selectees for U.S. Secretary of State in modern American history. President-elect Donald Trump (who selected Tillerson) is one of the most controversial President-elects in modern U.S. history.

The 2016 presidential election was, and strongly remains, one of the most controversial presidential elections in modern U.S. history. The U.S. Intelligence Community played, and continues to play, an outsized role in the 2016 U.S. presidential election and its aftermath. The public is in desperate need of disclosure of the requested records in order to better know and assess the record of Rex Tillerson, CEO of one of the most powerful multinational corporations on the planet, now that Tillerson has been selected by President-elect Trump for Secretary of State of the United States. The public is also in need of the requested disclosures in order to know and assess the operations of the EPA and broader government in these and related matters.

B. The disclosure is likely to contribute to an understanding of government operations and activities because the disclosable portions of the requested records will be meaningfully informative about those operations and activities. The vast majority of disclosable information is not already in the public domain, in either a duplicative or a substantially identical form, and therefore the disclosure would add substantial new information to the public's understanding of these urgent matters that threaten the structural integrity of American democracy.

The overwhelming preponderance of records the requesters need to conduct their study and writing are in the possession of the agency and not in the public domain.

C. The disclosure of the requested records will contribute to the increased understanding of a broad audience of persons interested in the subject, rather than merely requesters' own understanding. Further, requesters will be collaborating with professionals who have great expertise in the subject area, and they have the ability and intention to effectively convey information to the public.

As explained herein in more detail, the audience likely to be interested in the subject is broad, and includes, historians of modern American government, politics, culture, and national security; journalists reporting on American politics, government, national security, and society; civil liberties attorneys; and the general public.

i) Requesters firmly intend to analyze the requested records in order to facilitate significant expansion of public understanding of government operations. Requesters are well qualified to perform this analysis.

Requester Jason Leopold is an investigative reporter for VICE News <sup>40</sup> and a widely published independent investigative reporter who has had his journalism published in dozens of domestic and international publications. Leopold also spent three and a half years as lead investigative reporter of Truthout.org, a nonprofit newsroom. He was also an investigative journalist under contract with Al Jazeera America. He has regularly contributed to Al Jazeera America, covering Guantanamo, national security,

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<sup>40</sup> <https://news.vice.com/contributor/jason-leopold>

counterterrorism, civil liberties, human rights and open government. Additionally, he is editor-at-large for The Public Record. His reporting has previously appeared in The Nation, The Wall Street Journal, The Financial Times, Salon, The Guardian, The Los Angeles Times, and numerous other domestic and international publications.

Requestor Ryan Noah Shapiro is a PhD candidate in the Department of Science, Technology, & Society (HASTS) at the Massachusetts Institute of Technology, as well as a research affiliate at the Berkman Klein Center for Internet & Society at Harvard University, as well as a representative of several news media outlets. Mr. Shapiro is an historian of national security.

*As should be clear from the above, requesters have the ability and firm intention to disseminate to the public significant expansions of understanding of government operations based on my analysis of the requested disclosures.*

ii) Additional Note on Journalistic Research and the Public Interest:

The case law on this matter is emphatically clear that journalistic or scholarly inquiry alone satisfies the FOIPA public interest requirement. *National Treasury Employees Union v. Griffin*, 811 F.2d, 644, 649 (D.C. Cir. 1987).

Further, as articulated in the amendments to FOIA established by the OPEN Government Act of 2007, I solidly meet the applicable definition of “a representative of the news media[.]” The OPEN Government Act of 2007 established that for FOIA purposes,

‘a representative of the news media’ means any person or entity that gathers information of potential interest to the public, uses its editorial skills to turn the raw materials into a distinct work, and distributes that work to an audience.

552(a)(4)(A)(ii)

Based on requesters’ completed and firmly intended research, analysis, and information dissemination activities detailed at length herein, they clearly satisfy this description. Further, the OPEN Government Act of 2007’s definition of “a representative of the news media” is taken nearly verbatim from language used by the United States Court of Appeals, District of Columbia Circuit in the court’s 1989 FOIA fee waiver-oriented ruling in *National Security Archive v. Department of Defense*.<sup>41</sup> As the court also relatedly found in *National Security Archive v. Department of Defense*, a requester need not already have published numerous works in order to qualify as a representative of the news media. The court found that the express “intention” to publish or disseminate analysis of requested documents amply satisfies the above noted requirement for journalists to “publish or disseminat[e]

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<sup>41</sup> The language in *National Security Archive v. Department of Defense* reads, “A representative of the news media is, in essence, a person or entity that gathers information of potential interest to a segment of the public, uses its editorial skills to turn raw materials into a distinct work, and distributes that work to an audience.” *National Security Archive v. Department of Defense*, 880 F.2d 1381, 1387 (D.C. Cir, 1989).

information to the public.” *National Security Archive v. Department of Defense*, 880 F.2d 1386, (D.C. Cir, 1989). Requesters have expressed a firm intention to continue disseminating significant analysis of documents obtained through FOIPA requests. And requesters have demonstrated their ability to continue disseminating significant analysis of documents obtained through FOIPA requests.

Therefore, in that they are “person[s] or entit[ies] that gather[] information of potential interest to the public, use[] [their] editorial skills to turn the raw materials into a distinct work, and distribute[] that work to an audience,” they solidly meet the applicable definition of “a representative of the news media.” As such, they have again more than satisfied the requirement for a fee waiver.<sup>42</sup>

D. The disclosure of the requested records is likely to contribute “significantly” to public understanding of government operations and activities because disclosure would enhance to a significant extent the public’s understanding of the subject in question as compared to the level of public understanding existing prior to the disclosure

i) See above Section I.

ii) As noted above, the overwhelming preponderance of records requesters need to conduct their study and writing are in the possession of the agency and not in the public domain.

## II. DISCLOSURE OF THE INFORMATION IS NOT PRIMARILY IN REQUESTERS’ COMMERCIAL INTEREST.

Any commercial interest that requesters have which would be furthered by the requested disclosure is *de minimis*.

Requesters are requesting the release of records to analyze for use in the dissemination of news articles. Though journalists and scholars do sometimes get paid for their writing, payment is not the primary purpose for which such work is conducted. As the D.C. Circuit

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<sup>42</sup> Though the courts have subsequently narrowed the applicability of the *National Security Archive v. Department of Defense* ruling in terms of requirements to qualify as a representative of the news media (most notably in *Judicial Watch, Inc. v. United States Department Of Justice*), requesters still solidly satisfy even this narrowed understanding of “representative of the news media.” In contrast to *Judicial Watch*, requesters have clearly demonstrated a firm intention to disseminate to the public my analysis of requested information. Requesters have identified articles, an exhibit, and a book within which requesters firmly intend to, and in some cases already have, disseminated my analysis of requested information. Requesters have identified other news media representative whom they have already fruitfully provided my analysis of requested information, and with whom they firmly intend to continue collaborating on future disseminations of requested information. Ultimately, in contrast to *Judicial Watch*, which the court found to “merely make available [] the requested information,” they have established “a firm intention to disseminate” my analysis of the requested information. See *Judicial Watch, Inc. v. United States Department of Justice*, 185 F.Supp. 2d 54, 59 (D.D.C. 2002).

explained in *National Treasury Employees Union v. Griffin*, 811 F.2d, 644, 649 (D.C. Cir. 1987), "While private interests clearly drive journalists (and journals) in their search for news, they advance those interests almost exclusively by dissemination of news, so that the public benefit from news distribution necessarily rises with any private benefit. Thus it is reasonable to presume that furnishing journalists with information will primarily benefit the general public[.]"

*The disclosure of records will significantly benefit the public interest, and this benefit to the public is of vastly greater magnitude than requesters' minimal commercial interest.*

Additionally, the courts and the legislature have been deeply invested in ensuring that FOIPA duplication and search fees are not used by government agencies to deliberately or otherwise thwart legitimate scholarly and journalistic research:

This was made clear in *Better Government Ass'n v. Department of State*, in which the court ruled that, "The legislative history of the fee waiver provision reveals that it was added to FOIA 'in an attempt to prevent government agencies from using high fees to discourage certain types of requesters, and requests,' in particular those from journalists, scholars and nonprofit public interest groups." *Better Government Ass'n v. Department of State*, 780 F.2d 86, 89 (D.C. Cir. 1986).

This point is further elaborated in *Ettlinger v. FBI*,

The legislative history of the FOIA clearly indicates that Congress intended that the public interest standard for fee waivers embodied in 5 U.S.C. § 552(a)(4)(A) be liberally construed. In 1974, Congress added the fee waiver provision as an amendment to the FOIA in an attempt to prevent government agencies from using high fees to discourage certain types of requesters and requests. The 1974 Senate Report and the sources relied on in it make it clear that the public interest/benefit test was consistently associated with requests from journalists, scholars and non-profit public interest groups. There was a clear message from Congress that "this public-interest standard should be liberally construed by the agencies." The 1974 Conference Report, in which differences between the House and Senate amendments were ironed out, retained the Senate-originated public-interest fee waiver standard and further stated "the conferees intend that fees should not be used for the purpose of discouraging requests for information or as obstacles to disclosure of requested information." Further evidence of congressional intent regarding the granting of fee waivers comes from a 1980 Senate Subcommittee report. The report stated that "excessive fee charges . . . and refusal to waive fees in the public interest remain . . . 'toll gates' on the public access road to information." The report noted that "most agencies have also been too restrictive with regard to granting fee waivers for the indigent, news media, scholars . . ." and recommended that the Department of Justice develop guidelines to deal with these fee waiver problems. The report concluded: The guidelines should recommend that each agency authorize as part of its FOIA regulations fee waivers for the indigent, the news media, researchers, scholars, and non-profit public interest groups. The



guidelines should note that the presumption should be that requesters in these categories are entitled to fee waivers, especially if the requesters will publish the information or otherwise make it available to the general public.

The court, in its *Ettlinger v. FBI* decision, continued that on 18 December 1980, a

policy statement was sent to the heads of all federal departments and agencies accompanied by a cover memorandum from then United States Attorney General Civiletti which stated that he had "concluded that the Federal Government often fails to grant fee waivers under the Freedom of Information Act when requesters have demonstrated that sufficient public interest exists to support such waivers." The Attorney General went on to state: Examples of requesters who should ordinarily receive consideration of partial fee waivers, at minimum, would be representatives of the news media or public interest organizations, and historical researchers. *Such waivers should extend to both search and copying fees, and in appropriate cases, complete rather than partial waivers should be granted.*

### III. ALTERNATIVELY, THE AGENCY SHOULD EXERCISE ITS DISCRETION TO GRANT A FEE WAIVER.

Although requesters are entitled to a waiver of fees under 32 C.F.R. 1900.13(b)(2), even if they were not entitled to fees under that provision the agency should grant them a fee waiver in the exercise of its discretion. Pursuant to 32 C.F.R. 1900.13(b)(1), "as a matter of administrative discretion, the interest of the United States Government would be served." The agency should exercise its discretion here to award a fee waiver because release of the documents would be in the interest of the United States Government for the reasons stated above.

### IV. CONCLUSION.

As demonstrated above, the disclosure of the requested records will significantly contribute to expanded public understanding of government operations. Requesters have the intent and ability to disseminate this significant expansion of public understanding of government operations. The public interest in this significant expansion of public understanding of government operations far outweighs any commercial interest of our own in the requested release. Accordingly, our fee waiver request amply satisfies the rules of 32 C.F.R. 1900.13(b). Legislative history and judicial authority emphatically support this determination. For these reasons, and based upon their extensive elaboration above, Requesters request a full waiver of fees be granted. Requesters will appeal any denial of our request for a waiver of fees, as well as fee category requests, and will take the issue to the courts if necessary.

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Please do not hesitate to contact us if you have any questions concerning this request.

Thank you. We appreciate your time and attention to this matter.

Ryan Noah Shapiro & Jason Leopold

# ADDENDUM A

## Rex Tillerson

**Rex Wayne Tillerson** (born March 23, 1952) is an American businessman. He was the chairman and chief executive officer (CEO) of ExxonMobil from 2006 to 2016.

Tillerson began his career as an engineer and holds a bachelor's degree in civil engineering from the University of Texas at Austin. Tillerson joined Exxon in 1975, and by 1989 had become general manager of the Exxon USA central production division. In 1995 he became president of Exxon Yemen Inc. and Esso Exploration and Production Khorat Inc. In 2006, Tillerson was elected chairman and chief executive officer of Exxon, the world's 6th largest company by revenue.<sup>[2][3]</sup> Tillerson retired from Exxon effective December 31, 2016, and was succeeded by Darren Woods.<sup>[4]</sup> He is a member of the National Academy of Engineering.<sup>[5]</sup>

On December 13, 2016, President-elect Donald Trump announced that Tillerson would be his nominee for Secretary of State.<sup>[6][7]</sup> He is a longtime contributor to Republican campaigns. Tillerson's close business ties with Russian President Vladimir Putin have generated controversy, particularly in light of the revelations about Putin's business dealings in the Panama papers. In 2014 Tillerson strongly opposed the sanctions against Russia.<sup>[8]</sup> He has previously been the director of the joint US-Russian oil company Exxon Neftegas.<sup>[9][10]</sup> In January 2017, it was revealed that while Tillerson was a senior executive at ExxonMobil, a European joint venture called Infineum conducted business with Iran, Syria, and Sudan when those states were under US sanctions.<sup>[11]</sup>

## 1 Early life and education

Tillerson was born on March 23, 1952, in Wichita Falls, Texas, the son of Patty Sue (née Patton) and Bobby Joe Tillerson.<sup>[12]</sup> Active in the Boy Scouts of America for most of his life, he earned the rank of Eagle Scout<sup>[13]</sup> in 1965.

Tillerson received a bachelor's degree in civil engineering from the University of Texas at Austin in 1975.<sup>[14]</sup> During his time at UT Austin, he was involved with the Tejas Club,<sup>[15]</sup> the Longhorn Band,<sup>[15]</sup> and Alpha Phi Omega.<sup>[16]</sup> In 2006 he was named a Distinguished Engineering Graduate.<sup>[14]</sup>

## 2 Business career

### 2.1 Exxon

Tillerson joined The Exxon Company in 1975 as a production engineer.<sup>[17]</sup> In 1989, Tillerson became general manager of the central production division of Exxon USA. In 1995, he became President of Exxon Yemen Inc. and Esso Exploration and Production Khorat Inc.<sup>[17]</sup>

In 1998, he became a vice president of Exxon Ventures (CIS) and president of Exxon Neftegas Limited with responsibility for Exxon's holdings in Russia and the Caspian Sea. In 1999, with the merger of Exxon and Mobil, he was named executive vice president of ExxonMobil Development Company. In 2004, he became president and director of ExxonMobil. On January 1, 2006, Tillerson was elected chairman and chief executive officer (CEO), following the retirement of Lee Raymond.<sup>[17]</sup>

Tillerson re-established his position of chairman and chief executive officer during a shareholder meeting on May 28, 2008. The Rockefeller family sponsored a non-binding resolution to separate the CEO and chairman positions to maintain a system of checks and balances. The Rockefeller family also wanted ExxonMobil to invest more in alternative energy, with Neva Goodwin saying in a public statement that the company "needs to reconnect with the forward-looking and entrepreneurial vision of my great-grandfather."<sup>[18]</sup> However, the resolution did not obtain the necessary majority and Tillerson held on to both the chairman and chief executive officer job titles.<sup>[19]</sup>

In 2009, ExxonMobil acquired XTO Energy, a major natural gas producer, for \$31 billion in stock. Some writers have stated that "Tillerson's legacy rides on the XTO Deal."<sup>[20]</sup>

#### 2.1.1 Ties with Russia

Tillerson has ties with President Vladimir Putin of Russia.<sup>[9]</sup> They have been associates since Tillerson represented Exxon's interests in Russia during President Boris Yeltsin's tenure.<sup>[21]</sup> John Hamre, the President and CEO of the Center for Strategic and International Studies, of which Tillerson is a board member, states that Tillerson "has had more interactive time with Vladimir Putin than probably any other American, with the exception of Dr. Henry Kissinger."<sup>[21]</sup>



*Tillerson with President Vladimir Putin of Russia, at the Kremlin, 2012*

Tillerson is a friend of Igor Sechin,<sup>[22]</sup> the leader of the Kremlin's *Siloviki* (security/military) faction,<sup>[23]</sup> who is "widely believed to be Russia's second-most powerful person" after President Putin.<sup>[24]</sup>

In 2011, on behalf of ExxonMobil, Tillerson signed an agreement with Russia for drilling in the Arctic that could be valued up to \$300 billion.<sup>[25]</sup> The company began drilling in the Kara Sea in the Summer of 2014, and a round of sanctions against Russia introduced in September that year due to the Ukrainian crisis was to have brought the project to a halt in mid-September.<sup>[26][27][28]</sup> Nevertheless, the company was granted a reprieve that stretched the window to work until October 10, which enabled it to discover a major field with about 750 million barrels of new oil for Russia.<sup>[29]</sup>

In 2013, Tillerson was awarded the Order of Friendship by President Putin for contribution to developing cooperation in the energy sector.<sup>[30]</sup>

Tillerson has some shares in Russian technology company Yandex.<sup>[31]</sup>

### 2.1.2 Ties in Middle East

From 2003 to 2005, a European subsidiary of ExxonMobil, Infineum, operated in the Middle East providing sales to Iran, Sudan and Syria. In that period, Infineum made sales of \$53.2 million in Iran, \$600,000 in Sudan and \$1.1 million in Syria respectively. ExxonMobil stated that they followed all legal framework and that such sales were minuscule compared to their annual revenue of \$371 billion at the time. Democratic Senator Bob Menendez, a member of the United States Senate Committee on Foreign Relations, commented on the topic stating that he felt "deeply skeptical about Mr. Tillerson's actions as CEO of Exxon that were in direct contravention to express United States policies put in place to secure Americans and our country" and that "[f]inding loopholes to make lucrative business deals with geo-political adversaries, while showing no clear regard for U.S. national interests, is not a

resume builder for a prospective diplomat-in-chief".<sup>[32]</sup>

In 2011, Tillerson, on behalf of ExxonMobil, signed a deal to develop oil fields in the autonomous region of Iraqi Kurdistan. The agreement was in defiance of Iraqi law, which forbids companies from dealing directly with Iraqi Kurdistan.<sup>[33]</sup>

### 2.1.3 Compensation

In 2012, Tillerson's compensation package was \$40.5 million.<sup>[34]</sup> It was \$28.1 million in 2013, \$33.1 million in 2014, and \$27.2 million in 2015.<sup>[1]</sup> Tillerson holds \$245 million of Exxon stock.<sup>[35]</sup>

On 3 January 2017, ExxonMobil announced they had reached an agreement with Tillerson "to sever all ties with the company to comply with conflict-of-interest requirements associated with his nomination as secretary of state."<sup>[36]</sup>

## 2.2 Other affiliations

Tillerson is also a trustee for the Center for Strategic and International Studies and the American Petroleum Institute. He is also a member of the Business Roundtable.<sup>[17]</sup>

He was a member of the executive committee of The Business Council for 2011 and 2012.<sup>[37]</sup>

Tillerson is a longtime volunteer with the Boy Scouts of America, and from 2010 to 2012 was their national president, its highest non-executive position.<sup>[38][39]</sup> Tillerson is an Distinguished Eagle Scout, and his father was a BSA executive. Tillerson is a long time supporter of the Boy Scouts of America and has said, "I think the highlight of my youth and adolescent years were my achievements in Scouting." In 2009, Tillerson was inducted into the Eagle Scout Hall of Fame of the Greater New York Councils.<sup>[40]</sup> Ray L. Hunt, a close friend and the Chairman of Hunt Consolidated, told the Dallas Morning News, "To understand Rex Tillerson, you need to understand Scouting."<sup>[41]</sup>

After the end of his term as BSA president, he remained on the organization's National Executive Board. There he played a significant role in the board's 2013 decision to rescind the long-standing ban on openly gay youth as members. According to Center for Strategic and International Studies president John Hamre, Tillerson was instrumental in the change and "a key leader in helping the group come to a consensus."<sup>[39][42]</sup>

## 3 Political involvement

### 3.1 Political views

### 3.1.1 Opposition to sanctions

Tillerson has stated that “We do not support sanctions, generally, because we don't find them to be effective unless they are very well implemented comprehensively and that's a very hard thing to do.”<sup>[43]</sup>

### 3.1.2 Climate change and carbon tax

In 2010, Tillerson said that while he acknowledged that humans were affecting the climate through greenhouse gas emissions to some degree, it was not yet clear “to what extent and therefore what can you do about it.”<sup>[44][45]</sup>

Tillerson also stated, “The world is going to have to continue using fossil fuels, whether they like it or not.”<sup>[46]</sup>

Tillerson stated in 2009 that he favors a carbon tax as “the most efficient means of reflecting the cost of carbon in all economic decisions—from investments made by companies to fuel their requirements to the product choices made by consumers.”<sup>[47]</sup> In October 2016, less than two months before his nomination as Secretary of State, he gave a speech in which he reaffirmed that ExxonMobil had long viewed a carbon tax to be “the best policy of those being considered. Replacing the hodgepodge of current, largely ineffective regulations with a revenue-neutral carbon tax would ensure a uniform and predictable cost of carbon across the economy . . . allow market forces to drive solutions . . . maximize transparency, reduce administrative complexity, promote global participation and easily adjust” to new knowledge in climate science and in the policy consequences of various courses of action.<sup>[48]</sup>

Critics contend that Tillerson's statements regarding climate change and a possible carbon tax were primarily business-savvy public relations and legislative strategies rather than genuine efforts to confront a global environmental problem. An article in *The New York Times* published after Tillerson's Secretary of State nomination suggested that ExxonMobil's embrace of a carbon tax in October 2009 may have simply been an effort to avoid cap and trade legislation that was then under consideration in the U.S. Congress.<sup>[49]</sup> A *Time* magazine article asserts that since Tillerson announced ExxonMobil's preference for a carbon tax, the giant oil company “has not made a carbon tax a focus of its massive lobbying efforts and has supported a number of candidates and organizations that oppose measures to tackle the [climate change] issue.”<sup>[50]</sup>

### 3.1.3 Support for the Trans-Pacific Partnership (TPP)

In 2013, Tillerson outlined his support for the Trans-Pacific Partnership (TPP), stating at the Global Security Forum: “One of the most promising developments on this front is the ongoing effort for the Trans-Pacific Partnership... The 11 nations that have been working to lower

trade barriers and end protectionist policies under this partnership are a diverse mix of developed and developing economies. But all of them understand the value of open markets to growth and progress for every nation.”<sup>[51]</sup>

### 3.1.4 Free trade

Speaking in March 2007 at a Council on Foreign Relations event, Tillerson said

Should the United States seek so-called energy independence in an elusive effort to insulate this country from the impact of world events on the economy, or should Americans pursue the path of international engagement, seeking ways to better compete within the global market for energy? Like the Council's founders, I believe we must choose the course of greater international engagement ... The central reality is this: The global free market for energy provides the most effective means of achieving U.S. energy security by promoting resource development, enabling diversification, multiplying our supply channels, encouraging efficiency, and spurring innovation.<sup>[52]</sup>



Rex Tillerson speaking at IHS Energy Week

### 3.1.5 Government regulation

In an interview with *The Wall Street Journal*, Tillerson expressed his impatience with government regulation, stating “there are a thousand ways you can be told 'no' in this country.”<sup>[53]</sup>

### 3.1.6 Education

In September 2013, Tillerson wrote an op-ed piece in *The Wall Street Journal* defending Common Core.<sup>[54]</sup>



### 3.2 Republican campaign fundraising and donations

Tillerson is a longtime contributor to Republican campaigns. According to the FEC records available online, he has given \$442,284.50 in direct contributions since 2003, \$72,200 in “joint fundraising contributions” and \$5000 to a Super PAC. FEC records do not show any contributions by Tillerson to Democrats during this period.<sup>[55]</sup>

He has contributed to the political campaigns of **George W. Bush**,<sup>[56]</sup> as well as **Mitt Romney** in 2012, and **Mitch McConnell**.<sup>[57]</sup> He did not donate to Donald Trump’s campaign.<sup>[56]</sup> He donated to **Jeb Bush**’s campaign during the 2016 Republican primaries.<sup>[56][58]</sup>

### 3.3 Center for Strategic and International Studies

Tillerson serves on the board of trustees of the **Center for Strategic and International Studies**.<sup>[59]</sup>

### 3.4 Secretary of State



*Tillerson at his confirmation hearing on January 11, 2017*

Rex Tillerson was first recommended to Trump for the Secretary of State role by **Condoleezza Rice**, during her meeting with Trump in late November.<sup>[60]</sup> Rice’s recommendation of Tillerson to Trump was backed up by **Robert Gates**, three days later.<sup>[60]</sup> Media speculation that he was being considered for the position began on December 5, 2016.<sup>[61]</sup> On December 9, transition officials reported that Tillerson was the top candidate for the position surpassing **Mitt Romney** and **David Petraeus**.<sup>[62]</sup> His nomination was reportedly being advocated by **Steve Bannon** and **Jared Kushner**.<sup>[63]</sup>

On the evening of December 10, the BBC cited NBC reports that “sources close to Mr Trump [were] ... saying that Mr Tillerson is likely to be named next week” and that former UN ambassador **John Bolton** “will serve as his deputy”.<sup>[64]</sup> On December 12, *The New York Times* reported that he had been chosen.<sup>[6]</sup> On December 13, 2016, President-elect Donald Trump announced

that Tillerson would be his nominee for Secretary of State.<sup>[6][65]</sup>

## 4 Personal life

Tillerson is married to **Renda St. Clair**, and they have four children.<sup>[13][66]</sup> He resides in **Irving, Texas**.<sup>[13]</sup>

### 4.1 Religion

Tillerson is a Christian.<sup>[67]</sup> He and his wife donated \$5,000–\$10,000 to the **National Association of Congregational Christian Churches** in 2012.<sup>[68]</sup>

### 4.2 Miscellaneous

On February 20, 2014, news outlets reported that Tillerson and his wife joined opponents of a proposed water tower that could lead to fracking-related traffic near their homes. Plaintiffs included former U.S. House of Representatives Majority Leader **Dick Armey** and his wife.<sup>[69][70]</sup> The Tillersons dropped out of the lawsuit after a judge dismissed their claim in November 2014.<sup>[71]</sup>

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## 6 Further reading

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## 7 External links

- "Rex W. Tillerson, Chairman and Chief Executive Officer". Exxon Mobil Corporation.
- Rolling Stone on "The Climate Killers: 17 polluters and deniers who are derailing efforts to curb the climate catastrophe."
- Appearances on C-SPAN



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# ADDENDUM B

## American Legislative Exchange Council

“ALEC” redirects here. For the given name, see *Alec*.

The **American Legislative Exchange Council (ALEC)** is a nonprofit organization of conservative state legislators and private sector representatives that drafts and shares model state-level legislation for distribution among state governments in the United States.<sup>[2][3][4]</sup>

ALEC provides a forum for state legislators and private sector members to collaborate on model bills—draft legislation that members may customize and introduce for debate in their own state legislatures.<sup>[5][6][7]</sup> ALEC has produced model bills on a broad range of issues, such as reducing regulation and individual and corporate taxation, combating illegal immigration, loosening environmental regulations, tightening voter identification rules, weakening labor unions and opposing gun control.<sup>[8][9][10][11]</sup> Some of these bills dominate legislative agendas in states such as Arizona, Wisconsin, Colorado, Michigan, New Hampshire, and Maine.<sup>[12]</sup> Approximately 200 model bills become law each year.<sup>[8][13]</sup> ALEC also serves as a networking tool among state legislators, allowing them to research conservative policies implemented in other states.<sup>[10]</sup> Many ALEC legislators say the organization converts campaign rhetoric and nascent policy ideas into legislative language.<sup>[5]</sup>

ALEC's activities, while legal,<sup>[14]</sup> received public scrutiny after being reported by liberal groups in 2011 and after news reports from outlets such as *The New York Times* and *Bloomberg Businessweek* described ALEC as an organization that gave corporate interests outsized influence.<sup>[8][9]</sup> Resulting public pressure led to a number of legislators and corporations withdrawing from the organization.

## 1 History

### 1.1 1973 to 2010

ALEC was founded in 1973 in Chicago as the Conservative Caucus of State Legislators a project initiated by Mark Rhoads an Illinois state house staffer, to counter the Environmental Protection Agency, wage and price controls, and the defeat of Barry Goldwater in the 1964 presidential election.<sup>[15][16]</sup> Conservative legislators felt the word “conservative” was unpopular with the public at the time, however, so the organization was renamed as the American Legislative Exchange Council.<sup>[15]</sup> In 1975,

with the support of the American Conservative Union, ALEC registered as a federal nonprofit agency.<sup>[17][18]</sup> Bill Moyers and Greenpeace have attributed the establishment of ALEC to the influential Powell Memorandum, which led to the rise of a new business activist movement in the 1970s.<sup>[19][20]</sup>

ALEC was co-founded by conservative activist Paul Weyrich, who also co-founded the Heritage Foundation.<sup>[14][15]</sup> Henry Hyde, who later became a U.S. congressman, and Lou Barnett, who later became national political director of Ronald Reagan's Political Action Committee, also helped to found ALEC. Early members included a number of state and local politicians who went on to statewide office, including Bob Kasten, Tommy Thompson, and Scott Walker of Wisconsin, John Engler of Michigan, Terry Branstad of Iowa, Mitch Daniels of Indiana, and John Boehner and John Kasich of Ohio.<sup>[21]</sup> Several members of Congress also were involved in the organization during its early years, including Rep. Jack Kemp of New York, Sen. Jesse Helms of North Carolina, Sen. James L. Buckley of New York, Rep. Phil Crane of Illinois, and Rep Eric Cantor of Virginia.<sup>[21][22]</sup>

In the 1980s, ALEC opposed U.S. disinvestment from South Africa, a movement to put pressure on the South African government to embark on negotiations with a goal of dismantling apartheid.<sup>[23]</sup> In 1985, ALEC also published a memo that opposed “the current homosexual movement”, portrayed homosexuality as a result of a conscious choice, and said that pedophilia was “one of the more dominant practices within the homosexual world”.<sup>[24]</sup> ALEC spokesman Bill Meierling discussed the document in 2013 and said that ALEC does not draft model bills on social issues, and added, “I'm also sad that the critics would not acknowledge that organizations change over time.”<sup>[24]</sup>

Duane Parde served as the executive director from December 1996 to January 2006.<sup>[25]</sup> Lori Roman, who served in the same role from 2006 to 2008, had an imperious style that led to financial difficulties and the departure of two thirds of ALEC's staff.<sup>[5]</sup> According to Dolores Mertz, then a Democratic Iowa state representative and chairwoman of the ALEC board, ALEC became increasingly partisan during that period, with Roman once telling Mertz “she didn't like Democrats and she wasn't going to work with them.”<sup>[26]</sup> Ron Scheberle became executive director in 2010 after acting as a lobbyist for Verizon Communications (previously GTE) and as an ALEC board member.<sup>[14]</sup>

By 2011, the number of ALEC legislative members had reached 2,000, including more than 25 percent of all state legislators nationwide. Approximately 1,000 bills based on ALEC language were being introduced in state legislatures every year, with about 20% of those bills being enacted.<sup>[5]</sup>

## 1.2 2011 to present

Prior to 2011, ALEC's practices and its ties to specific pieces of legislation were little known outside of political circles.<sup>[27]</sup> In July 2011, *The Nation* published a series of articles produced in collaboration with the Center for Media and Democracy (CMD) that showcased some of the ALEC model bills and described ties to the Koch family, and CMD launched a website "ALEC Exposed" that documented more than 800 of ALEC's model bills, the legislators and corporations that had helped to draft them, and the states that enacted them.<sup>[27]</sup> The joint effort, and particularly its coverage of ALEC's push for tough voter ID laws, prompted the advocacy group Color of Change to launch a public campaign to pressure corporations to withdraw their ALEC memberships.<sup>[27]</sup>

The criticism among media outlets and political opponents was that ALEC was secretly subverting democratic institutions to further the aims of its corporate benefactors.<sup>[27]</sup> Oregon state representative and ALEC member Gene Whisnant said in December 2011, "We're getting a lot of attention saying we're trying to destroy the earth and everything on it."<sup>[5]</sup> ALEC viewed itself as promoting public-private partnerships for the advancement of free market principles.<sup>[27]</sup> ALEC senior director of membership and development Chaz Cirame said, "The hook about some conspiracy or some secret organization is a lot better story than one about bringing state legislators together to talk about best practices around the country."<sup>[5]</sup>

Opposition to ALEC continued in 2012. That year ALEC was the subject of an Occupy movement protest, an Internal Revenue Service complaint by Common Cause, and calls for attorney general investigations in several states.<sup>[28]</sup>

[www.facebook.com/triplecxX](http://www.facebook.com/triplecxX)

The shooting of Trayvon Martin on February 26, 2012 led to increased public attention on "Stand-your-ground" gun laws that ALEC had supported.<sup>[27]</sup> Color of Change launched a new campaign in April to pressure ALEC's corporate members to withdraw.<sup>[29]</sup> More than sixty corporations and foundations, including Coca-Cola, Wendy's, Kraft Foods, McDonald's, Amazon.com, General Electric, Apple, Procter & Gamble, Walmart, the Bill & Melinda Gates Foundation, and the medical insurance group Blue Cross and Blue Shield dropped support of ALEC in the ensuing weeks or let their memberships lapse.<sup>[30][31][32][33][34][35][36][37]</sup> Thirty-four legislative members also left ALEC.<sup>[38]</sup>

ALEC responded by releasing a statement describing efforts by its critics as a "campaign launched by a coalition of extreme liberal activists committed to silencing anyone who disagrees with their agenda".<sup>[27][39]</sup> Conservative political commentator Ben Shapiro wrote that liberals intimidated ALEC by "wielding the corpse of Trayvon Martin" as part of a broader anti-capitalist push.<sup>[40]</sup> Doug Clopp of Common Cause credited ALEC Exposed for the successful campaign, saying that "for 40 years you couldn't get the kind of accountability we're seeing now because ALEC, its members, its legislators, its bills were secret."<sup>[27]</sup>

Former Visa Inc. lobbyist,<sup>[41]</sup> Newt Gingrich aide, and GOPAC executive director Lisa B. Nelson succeeded Scheberle as CEO of ALEC in 2014.<sup>[42]</sup>

In late 2014, a number of technology-oriented companies such as Google, Microsoft, Facebook, Ebay, and Yahoo! announced that they were ending their ties to ALEC. Multiple companies cited environmental concerns as a point of contention with the organization.<sup>[43]</sup> Google Executive Chairman Eric Schmidt remarked that ALEC was "just literally lying" about recent global climate change.<sup>[44][45][46][47]</sup> Yahoo!, Uber, and Lyft also announced withdrawals later that same week.<sup>[47][48][49]</sup> Occidental Petroleum and Northrop Grumman also cut ties with ALEC.<sup>[50]</sup> In response to Northrop Grumman's departure, an ALEC spokesperson said, "Like any other membership group, membership in ALEC ebbs and flows, and in 2014 we gained far more private-sector members than we lost."<sup>[51]</sup> T-Mobile and BP severed ties with ALEC in 2015.<sup>[52][53]</sup>

## 2 Organization

See also: List of members of the American Legislative Exchange Council

As of December 2013, ALEC had more than 85 members of Congress and 14 sitting or former governors who were considered "alumni".<sup>[39]</sup> The majority of ALEC's legislative members belong to the Republican Party.<sup>[51][9]</sup> Membership statistics presented at an ALEC board meeting in 2013 indicated that the 1,810 members represented 24% of all state legislative seats across the U.S., and that ALEC members represented 100% of the legislative seats in Iowa and South Dakota.<sup>[54]</sup> It also has approximately 300 corporate, foundation, and other private-sector members.<sup>[43]</sup> The chairmanship of ALEC is a rotating position, with a new legislator appointed to the position each year. As of 2012, 28 out of 33 of its chairs had been Republicans.<sup>[26]</sup>

ALEC has nine "task forces" which generate model bills that members can then customize and introduce for debate in their own state legislatures. Private sector members effectively have veto power over model bills drafted

by the task forces.<sup>[13][14]</sup>

ALEC's Public Safety and Elections Task Force, which promoted stand your ground gun laws and voter identification requirements, was disbanded in April 2012. Thereafter, the National Center for Public Policy Research announced the creation of a voter ID task force to replace the one discontinued by ALEC.<sup>[55][56]</sup>

Bills drafted by the task forces must be approved by ALEC's board of directors, composed exclusively of legislators, before they are designated as model bills.<sup>[14]</sup> ALEC also has a "Private Enterprise Advisory Council", which meets whenever the board of directors meets.<sup>[14]</sup> Council members include representatives from prominent corporations such as ExxonMobil, Pfizer, AT&T, SAP SE, State Farm Insurance, and Koch Industries.<sup>[57]</sup> ALEC says the council provides advice to the board of directors.<sup>[57]</sup> Former ALEC co-chairman Noble Ellington said in 2011, "I really kind of think of us as one board," although he added, "It's certainly not our goal to sit there and do everything that business wants to have done."<sup>[14]</sup>

Day-to-day operations are run from ALEC's Arlington, Virginia, office by an executive director and a staff of approximately 30. ALEC's bylaws specify that, "... full membership shall be open to persons dedicated to the preservation of individual liberty, basic American values and institutions, productive free enterprise, and limited representative government, who support the purposes of ALEC, and who serve, or formerly serve, as members of a state or territorial legislature, the United States Congress, or similar bodies outside the United States."<sup>[58]</sup>

ALEC also has ties to the State Policy Network (SPN), a national association of conservative and libertarian think-tanks. SPN is a member of ALEC,<sup>[59]</sup> and ALEC is an associate member of the SPN.<sup>[60]</sup> SPN encourages its members to join ALEC,<sup>[61]</sup> and many members of SPN are also members of ALEC. Some of the think tanks in the SPN write model legislation, which then is introduced at ALEC's private meetings.<sup>[62]</sup> ALEC is "SPN's sister organisation" according to *The Guardian*.<sup>[63]</sup>

ALEC is registered as a charity in 37 states.<sup>[28]</sup>

In 2003, Donald Ray Kennard, then a Louisiana state representative and ALEC national chairman, said, "We are a very, very conservative organization... We're just espousing what we really believe in."<sup>[13]</sup> Craig Horn, a North Carolina state representative and ALEC member, said of ALEC in 2013, "It's a lightning rod organization because it has a decidedly conservative bent—there's no doubt about it."<sup>[64]</sup>

### 3 Notable policies and model bills

Although ALEC originally focused on social issues such as abortion, which it opposed, in more recent years

the group has focused more on business and regulatory matters.<sup>[5][13]</sup> According to John Nichols of *The Nation*, ALEC's agenda "seems to be dictated at almost every turn by multinational corporations. It's to clear the way for lower taxes, less regulation, a lot of protection against lawsuits, [and] ALEC is very, very active in [the] opening up of areas via privatization for corporations to make more money, particularly in places you might not usually expect like public education."<sup>[65]</sup> A Brookings Institution study of state legislation introduced in 2011–2012 found that ALEC model bills that became law were linked most often to controversial social and economic issues. The study concluded that this phenomenon has hurt ALEC because, "Dirtying its hands with social issues undermines ALEC's ability to exercise influence over fiscal ones."<sup>[66]</sup>

#### 3.1 'Stand Your Ground' laws

'Stand Your Ground' gun laws expanded to 30 states through the support of ALEC, after Florida passed its law in 2005.<sup>[67][68][69]</sup> After the Florida law had been passed, ALEC adopted a model bill with the same wording.<sup>[3]</sup> In the wake of the shooting of Trayvon Martin in 2012, ALEC's support for Stand Your Ground laws ultimately led to the departure of high-profile corporate members such as Coca-Cola, Microsoft, Bank of America, and General Motors.<sup>[39]</sup>

#### 3.2 Voter identification

Prior to 2012, legislation based on ALEC model bills was introduced in many states to mandate or strengthen requirements that voters produce state-issued photographic identification. The bills were passed and signed into law in six states.<sup>[5]</sup> Voter identification bills introduced in 34 states would have made voting more difficult for students, the elderly, and the poor.<sup>[14]</sup>

#### 3.3 Immigration

The "Support Our Law Enforcement and Safe Neighborhoods Act", an Arizona law commonly known as "SB 1070", was drafted during an ALEC meeting in December 2009 and became an ALEC model bill.<sup>[70]</sup> Enacted in 2010, SB 1070 was described as the toughest illegal immigration law in the U.S.<sup>[71]</sup> Portions of SB 1070 were held by the Supreme Court to be preempted by federal law in 2012.<sup>[72]</sup>

Bills similar to SB 1070 were passed in Alabama, Georgia, Indiana, and Utah, and have been introduced in 17 other states.<sup>[14]</sup>



### 3.4 Animal and Ecological Terrorism Act

One of ALEC's model bills is the "Animal and Ecological Terrorism Act", which classifies certain property destruction, acts of intimidation, and civil disobedience by environmental and animal rights activists as terrorism. This model bill appeared across the U.S. in various forms since it was drafted in 2003. The federal "Animal Enterprise Terrorism Act" has notable similarities, and at points almost verbatim language, to ALEC's model "Animal and Ecological Terrorism Act". The Senate version of the "Animal Enterprise Terrorism Act" was sponsored by Senator James Inhofe, a long-time member of ALEC.<sup>[73]</sup>

Many ag-gag bills are also similar to ALEC's model "Animal and Ecological Terrorism Act", which would make it against the law to film, videotape, or take photographs on livestock farms in order to "defame the facility or its owner". People found to be in violation would be put in a "terrorist registry".<sup>[74][75]</sup>

### 3.5 Criminal sentencing and prison management

According to *Governing* magazine, "ALEC has been a major force behind both privatizing state prison space and keeping prisons filled."<sup>[13]</sup> ALEC has developed model bills advancing "tough on crime" initiatives, including "truth in sentencing" and "three strikes" laws.<sup>[76]</sup> Critics argue that by funding and participating in ALEC's Criminal Justice Task Force, private prison companies directly influence legislation for tougher, longer sentences. Corrections Corporation of America and Wackenhut Corrections, two of the largest for-profit prison companies in the U.S. (as of 2004), have been contributors to ALEC.<sup>[77]</sup> ALEC has also worked to pass state laws to allow the creation of private-sector for-profit prisons.<sup>[78][79]</sup>

Marie Gottschalk, professor of political science at the University of Pennsylvania, asserts that ALEC has played a major role in "liberating the private sector to employ penal labor and expand the privatization of corrections."<sup>[80]</sup> Economist Paul Krugman contended in 2012 that ALEC had "a special interest in privatization—that is, on turning the provision of public services, from schools to prisons, over to for-profit corporations," and as such played a significant role in the "penal-industrial complex". As an example, Krugman stated that the American Bail Coalition had declared publicly that ALEC was its "life preserver."<sup>[81]</sup>

ALEC disbanded the task force that favored harsh sentencing and now says it supports reducing prison overcrowding and lowering the costs associated with the criminal justice system.<sup>[76]</sup> It now promotes investing taxpayer money in alternatives to incarceration, such as electronic monitoring.<sup>[76]</sup>

### 3.6 Energy and the environment

ALEC pushed for deregulation of the electricity industry in the 1990s. Maneuvering between two private sector members, the former energy trader, Enron, and the utilities trade association, Edison Electric Institute (EEI), resulted in EEI withdrawing its ALEC membership. Enron's position on the matter was adopted by ALEC and subsequently, by many state legislatures.<sup>[13]</sup>

In 2011, ALEC adopted model legislation having to do with public "right to know" laws regarding what fluids are used in hydraulic fracturing (also known as "fracking") that was promoted as a victory for the right of consumers to know about potential drinking water contaminants, even though the bill contained "loopholes that would allow energy companies to withhold the names of certain fluid contents, for reasons including that they have been deemed trade secrets".<sup>[9]</sup>

ALEC has promoted a model bill that called plans in 2011 by the federal Environmental Protection Agency to regulate greenhouse gas emissions a "train wreck" that would harm the economy, and it has supported efforts by various states to withdraw from regional climate change compacts.<sup>[5]</sup> In 2013, their resolution stated "Alec is very concerned about the potential economic impact of greenhouse gas regulation on electricity prices and the harm EPA regulations may have on the economic recovery".<sup>[82]</sup> ALEC also has promoted a model bill that would call on the federal government to approve the proposed Keystone XL project, which would extend a synthetic crude oil pipeline from oil sands in Alberta, Canada to Nebraska.<sup>[83][84]</sup>

In 2013, ALEC planned legislation that would weaken state clean energy regulations and penalize homeowners who install their own solar panels and redistribute the electricity back into the grid, whom ALEC has described as "freeriders" because they do not pay for the infrastructure costs of recirculating their generated power.<sup>[82]</sup>

Also in 2013, ALEC adopted a model bill saying that the role of human activity in causing climate change was uncertain, that man-made climate change could be "deleterious, neutral or possibly beneficial," and that the cost of regulating greenhouse gas emissions could cause "great economic dislocation." ALEC has also invited climate change skeptics such as Craig Idso to speak at its national meetings. In 2015 Common Cause and the League of Conservation Voters pointed to such behavior to accuse ALEC of denying climate change. ALEC responded by threatening legal action, denying that ALEC supports climate change denial, and saying it has more recently welcomed debate on the subject and supported renewable energy and carbon tax policies to curb global warming.<sup>[85]</sup>

Several corporations have announced that their affiliations with ALEC will be allowed to lapse over disagreement with the group's opposition to action on climate change. These include Ford Motor Company,<sup>[86]</sup> British

Petroleum,<sup>[87]</sup> Microsoft, Google, and Royal Dutch Shell. A statement by Shell said “its stance on climate change is clearly inconsistent with our own...We have long recognized both the importance of the climate challenge and the critical role energy has in determining quality of life for people across the world.” An ALEC spokesperson responded “Climate change activists have conflated our opposition to the government picking winners and losers as climate change denial.”<sup>[88]</sup>

In December 2016 Tesla Motors (not an ALEC member) hosted an ALEC event in Washington, D.C., where ALEC promoted its “Energy Innovation Project”, partly funded by the ClearPath Foundation. The project guides states towards innovation and entrepreneurship surrounding U.S. energy resources.<sup>[89][90]</sup>

### 3.7 Telecommunications and information technology

AT&T and Verizon drafted ALEC model legislation prohibiting public broadband services and “sunsetting” the Public Switched Telephone Network (PSTN).<sup>[91]</sup> Names of its 172-member task force, the agenda of a December 2010 meeting, and its minutes that included a resolution regarding traffic pumping were published by Common Cause.<sup>[92]</sup> In February 2014, Senate Bill 304 in Kansas was introduced, “prohibiting cities and counties from building public broadband networks and providing internet service to businesses and citizens”.<sup>[93]</sup> The bill contains an “underserved area” exemption for public wi-fi, but it is not met anywhere in Kansas. The city of Chanute, Kansas, which has led broadband development since the 1980s, financed through its public electricity company, including free wi-fi in its college, hospital, and public spaces, and a 4g mobile data network, felt under attack by the bill.<sup>[93]</sup> The bill failed.<sup>[94]</sup>

### 3.8 Health care

ALEC opposes the individual health insurance mandate enacted by the Patient Protection and Affordable Care Act (commonly known as the “ACA” or “Obamacare”). ALEC filed an amicus brief in *National Federation of Independent Business v. Sebelius*, urging the Supreme Court to strike down the individual mandate of the ACA. In 2011 it published the “State Legislators Guide to Repealing ObamaCare”, which has served as a road map for repeal efforts.<sup>[5]</sup> ALEC has also drafted a variety of model bills designed to block implementation of the law.<sup>[5]</sup>

In August 2013, ALEC approved the “Health Care Freedom Act” as a model bill that aims to strip health insurers of their licenses to do business at the federal health care exchanges of ACA, if they accepted any subsidies under the system. Sean Riley, the head of ALEC’s Health and Human Services task force, said the aim of

the proposed legislation was to protect businesses from the ACA’s employer mandate.<sup>[6]</sup> *Slate* journalist David Weigel has called the bill a “sneak attack” on the ACA.<sup>[95]</sup> Health insurance experts have predicted that if the bill were widely adopted by Republican-controlled states, it would seriously disrupt the exchange, and threaten the ACA.<sup>[6]</sup> Wendell Potter, former health insurance executive and CMD fellow, said, “You cannot build the health-care system based on the free market unless you have subsidies. If they are taken away the whole thing collapses.”<sup>[6]</sup>

In 1989, ALEC published the draft “HIV Assault Act”, which made it a crime for someone who is knowingly infected with HIV (the virus that causes AIDS) to have sex with a person who is not infected, without disclosing the HIV infection. The bill made having such sex without disclosure a criminal offense, even when HIV was not transmitted. Alan Smith, who worked on the draft, said the proposed law was a response to worries that people with AIDS were deliberately infecting others, “to make sure more people got it so more research money could be devoted to curing it”.<sup>[7]</sup>

### 3.9 Other issues

ALEC has worked to privatize public education.<sup>[96]</sup> It frequently promotes model bills that expand public-private partnerships in education.<sup>[5]</sup> It has provided model legislation that led to the enactment of aggressive personal and corporate income tax cuts in Kansas in 2012.<sup>[97]</sup> Governor Sam Brownback, who promoted and signed the legislation, was advised by the supply-side economist and ALEC board member, Arthur Laffer, who said at the time that the cuts would pay for themselves and lead to increased growth.<sup>[98]</sup> By fall 2014, however, the tax cuts had led to the depletion of a \$700 million budget surplus, and although Kansas had experienced 6.6% job growth from 2010 to 2013, that figure lagged behind the nation’s overall 8.8% job growth for the same period.<sup>[99]</sup> It has promoted a model bill that limits liability for parent companies that acquire subsidiaries responsible for asbestos-related injuries.<sup>[14]</sup>

### 3.10 Outside the United States

In July 2012, *The Guardian* ran an article reporting that ALEC had taken action to oppose plain cigarette packaging laws outside the United States. It is contacting governments that are planning to introduce bans on cigarette branding, including the UK and Australia.<sup>[100]</sup>

Karla Jones, a task force director for ALEC, told participants at a meeting that proposed laws in Canada, the UK, and Australia would prohibit branding of tobacco products. She said that the brands were the corporations’ most valuable assets. ALEC wrote to the Australian government stating that U.S. legislators opposed the require-

ments for plain packaging. ALEC has stated that generic cigarettes increase cigarette consumption, rather than reducing it.<sup>[100]</sup>

## 4 Training and assistance

In addition to providing a forum for the drafting of model legislation, ALEC also provides assistance and training to its legislative members. The Oregon co-chairman of ALEC, **Gene Whisnant**, described the organization in 2012 as a “great resource” for part-time legislators with limited staff resources.<sup>[28]</sup> **Mark Pocan**, a Democratic congressman from Wisconsin and former member of the **Wisconsin Assembly**, said in 2012 that ALEC advises members, “‘Don’t just introduce a single piece of legislation, introduce 14.’ That way people can’t oppose any one bill.”<sup>[16]</sup> At one ALEC meeting, media experts gave messaging advice and taught legislators how to use **Twitter** to move ALEC bills through their chambers.<sup>[16]</sup> Attendants also offered to write **op-ed** articles in the legislators’ local newspapers and to put lawmakers in touch with other subject matter experts.<sup>[16]</sup>

## 5 Secrecy and transparency

Although *Governing Magazine* reported in 2003 that ALEC meetings traditionally had been open to the public,<sup>[13]</sup> news organizations have reported since then that many meetings are held in private. ALEC’s policy seminars are open to reporters and other nonmembers, but public conference agendas, unlike those distributed to members, do not include the names of presenters, the lists of legislative and private-sector board chairs, or the meetings’ corporate sponsors.<sup>[12][14]</sup> Task force meetings and bill-drafting sessions are held behind closed doors.<sup>[12][14]</sup> Bloggers from **ThinkProgress** and **AlterNet** were removed from conferences for attempting to take photographs of such sessions and **tweeting** the names of ALEC members who participated.<sup>[14]</sup> In 2013 *Washington Post* columnist **Dana Milbank** was turned away from ALEC’s annual “policy summit” and told by spokesperson **Bill Meierling** that subcommittee meetings and task force meetings were closed-door. Meierling said ALEC was introducing transparency gradually, but it “can’t just kick the doors open.”<sup>[101]</sup> Shortly after the Milbank incident, the **Brookings Institution** reported that ALEC’s activities during its closed-door meetings are “still a mystery”, and that “ALEC could have a tremendous influence over lawmaking in the American states, or it could have none at all—we just don’t know.”<sup>[66]</sup> In 2014, Nebraska legislator and former ALEC member **Jeremy Nordquist** described ALEC as a “faceless organization”, saying, “It’s allowing these corporate interests to just duck and cover, and hide from really stepping into the public square and putting their ideas forward.”<sup>[102]</sup>

ALEC does not disclose its membership list or the origins of its model bills.<sup>[8][43]</sup> Lawmakers generally propose ALEC-drafted bills in their states without disclosing their authorship.<sup>[5][13]</sup> For instance, in 2012 *The Star-Ledger* analyzed more than 100 bills and regulations previously proposed by the administration of **New Jersey** governor **Chris Christie** and found a pattern of similarities with ALEC model bills that was “too strong to be accidental”. The connections were based “not on similarity of broad ideas, but on specific numbers, time frames, benchmarks and language”. Legislative staffers in the Christie administration had “mined ALEC for advice on budgetary matters, Medicaid changes and privatizing government services...beginning in the earliest days of Christie’s governorship”. **William Schluter**, vice chairman of the New Jersey Ethics Commission and a former Republican state senator, said there was a “clear connection between ALEC and the proposed New Jersey legislation”. A Christie spokesperson denied any connection between the two.<sup>[12]</sup>

One exception to this pattern came in November 2011, when former Florida State Representative **Rachel Burgin** introduced legislation to call on the federal government to reduce its corporate tax rate. She mistakenly included the **boilerplate** “WHEREAS, it is the mission of the American Legislative Exchange Council to advance Jeffersonian principles of free markets, limited government, federalism, and individual liberty...”<sup>[27][103]</sup> The bill was withdrawn and resubmitted without the phrase. *The American Prospect* journalist **Abby Rapoport** wrote that the incident “seems to confirm what many have assumed was occurring in state legislatures—and while Burgin’s bill was hardly a major piece of legislation, ALEC’s reach in important policy areas seems hard to overestimate.”<sup>[104]</sup>

Critics sometimes argue that by adopting ALEC’s model bills without disclosure, state officials are handing off the duty of doing their own work to a business-centered lobby.<sup>[12]</sup> In early 2012, Democratic lawmakers in Arizona and Wisconsin introduced the “ALEC Accountability Act of 2012”, which would have required corporations to disclose ALEC funding.<sup>[105]</sup> **Arizona House of Representatives Assistant Minority Leader Steve Farley**, sponsor of the Arizona bill, argued that corporations have the right to present arguments, but not secretly.<sup>[106]</sup>

Prior to 2013, access to ALEC’s model bills was restricted, and its website required a password to access them.<sup>[12][13]</sup> On July 13, 2011, the **Center for Media and Democracy**, in cooperation with *The Nation*, posted 850 model bills created during a 30-year period, and created a web project, *ALEC Exposed*, to host these model bills.<sup>[5][107][108][109]</sup> The leak has been credited with triggering critical coverage about ALEC in both left-wing and mainstream media outlets.<sup>[5]</sup> ALEC subsequently published its model bills on its website, although the Brookings Institution wrote in 2013 that there was “reason to believe” its list was incomplete.<sup>[66]</sup>



On October 1, 2012, **Common Cause**, a liberal political advocacy group, along with the **Center for Media and Democracy** (CMD), filed a lawsuit under a Wisconsin open records law alleging five Republican lawmakers did not disclose whether they had searched personal e-mail accounts for correspondence with ALEC.<sup>[110]</sup> In one instance, a Wisconsin legislative representative had requested of ALEC in June 2012 that all correspondence be sent to his personal account.<sup>[111]</sup> According to CMD, the legislators settled the suit in late October 2012, allowing their personal e-mails to be searched and paying \$2,500 in court costs as part of the settlement.<sup>[112]</sup>

In 2013, ALEC's North Carolina state chairman Jason Saine described the organization as "a resource for experts you can tap that follow a philosophy that you do from a less government viewpoint", and said, "It's not just some big secretive organization that it's been portrayed."<sup>[64]</sup>

## 6 Corporate influence and allegations of lobbying activity

### 6.1 Corporate influence

The level of influence that ALEC's private-sector members hold over its public-sector members has been controversial. According to *The New York Times*, "special interests effectively turn ALEC's lawmaker members into stealth lobbyists, providing them with talking points, signaling how they should vote, and collaborating on bills affecting hundreds of issues like school vouchers and tobacco taxes."<sup>[9]</sup> *The Guardian* has described ALEC as "a dating agency for Republican state legislators and big corporations, bringing them together to frame rightwing legislative agendas in the form of 'model bills'".<sup>[6]</sup> The *Free Lance-Star* has reported that ALEC had "matured into one of Big Business's most effective lobbying tools".<sup>[113]</sup> *Bloomberg Businessweek* described the organization as a "bill laundry" that "offers companies substantial benefits that seem to have little to do with ideology."<sup>[14]</sup> Chris Taylor, a Democratic Wisconsin state assemblyman who attended an ALEC conference in 2013, described ALEC as a "well-oiled machine" and said, "In my observation, it was the corporations and the right-wing think tanks driving the agendas. Corporations have as big a say as the legislators in the model legislation that is adopted."<sup>[114]</sup>

ALEC legislative members generally deny being overly influenced by the organization or its model legislation, and argue that corporate input in the drafting process helps to promote business growth.<sup>[5][115]</sup> "ALEC is unique in the sense that it puts legislators and companies together and they create policy collectively," said Scott Pruitt, then an Oklahoma state representative and ALEC task force chair.<sup>[13]</sup> Vance Wilkins, a former Republican speaker of the **Virginia House of Delegates** and ALEC

member, said in 2002, "Just because business writes a bill doesn't make it bad. We get bills from all angles. And we still have to debate the issue."<sup>[113]</sup> Whisnant, ALEC's Oregon co-chair, acknowledged in 2012 that corporations sometimes write model bills to promote their own interests and added, "But that doesn't mean I'll support them."<sup>[28]</sup> Harvey Morgan, another former Virginia delegate and ALEC member, said of ALEC conferences, "You know before you go that the big-business view will prevail, and that's not necessarily bad. I still would like them to be a little more objective."<sup>[113]</sup>

Alan Rosenthal, a former **Rutgers University** political science professor and expert on state legislatures and lobbying,<sup>[116]</sup> said in 2012, "Legislators don't sit down with a quill pen and draft legislation. I think legislators should have the right to turn to wherever they want to get the ideas they prefer... I have some confidence that they're not being flimflammed."<sup>[28]</sup>

Experts agree that, regardless of its propriety, the ALEC model has been very effective. *Bloomberg Politics* reported in 2014 that ALEC had "no equal" in accessing conservative policymakers.<sup>[43]</sup> Rosenthal said of ALEC, "You've had the interest groups having access and sitting on other task forces, but here you've really perfected it... You've not only got them gaining access and interacting with legislators but you have them shaping policy together. It seems to me that's a pretty major advance."<sup>[13]</sup> Edwin Bender, executive director of the nonpartisan<sup>[117][118]</sup> **National Institute on Money in State Politics**, has said, "What makes ALEC different is its effectiveness in not just bringing the people together but selling a piece of legislation that was written by the industry and for the industry and selling it as a piece of mainstream legislation."<sup>[13]</sup>

### 6.2 Allegations of lobbying activity

In April 2012, **Common Cause** filed a complaint with the **Internal Revenue Service** objecting to ALEC's tax status as a nonprofit organization and alleged that lobbying accounted for more than 60% of its expenditures. ALEC formally denied lobbying,<sup>[8][119]</sup> although Delores Mertz, who had previously served as chairwoman of the ALEC board, said she was "concerned about the lobbying that's going on, especially with [ALEC's] 501(c)3 status".<sup>[26]</sup> Reporting on the allegations, *Bloomberg Businessweek* compared ALEC's work to that of lobbyists, noting, "part of ALEC's mission is to present industry-backed legislation as grass-roots work," and that being a nonprofit rather than a lobby group allows deductibility of membership dues, and the freedom not to disclose the names of legislators who attend its educational seminars or the executives who give presentations to those legislators.<sup>[8]</sup> William Schluter, vice chairman of the New Jersey Ethics Commission and a former Republican state senator, said of ALEC's activities, "When you get right down to it, this is not different from lobbying. It is lobbying... Any



kind of large organization that adds to public policy or has initiatives involving public policy should be disclosed—not only their name, but who is backing them.”<sup>[12]</sup> According to *Governing* magazine, ALEC legislators often have their travel expenses paid as “scholarships” and are “wined and dined and golf-coursed” by private sector members.<sup>[5]</sup> In July 2013 Common Cause submitted a supplemental brief to the IRS complaining about these practices.<sup>[120]</sup>

ALEC responded to the original Common Cause complaint by denying it engaged in lobbying, while saying that liberal groups were attacking ALEC because “they don’t have a comparable group that is as effective as ALEC in enacting policies into law.”<sup>[121]</sup> As of 2015 the IRS’s investigation remained open.<sup>[122]</sup>

Statutes in Colorado, South Carolina, and Indiana exempt ALEC specifically by name from having to register as a lobbyist and report lobbying expenditures.<sup>[123]</sup> In 2013 ALEC created a 501(c)(4) organization called the “Jeffersonian Project” that, according to *The Guardian*, “would allow Alec to be far more overt in its lobbying activities than its current charitable status as a 501(c)(3)”.<sup>[39]</sup>

## 7 Funding

As of 2011, corporation, think tank, and trade group members accounted for almost 99% of ALEC’s \$7 million budget.<sup>[14]</sup> Legislators pay \$100 in biennial membership dues, or \$50 per year, while non-legislators pay \$7,000 to \$25,000 to join, and more to participate in the task forces.<sup>[5][12][64]</sup> In 2010 *NPR* reported that tax records showed that corporations had collectively paid as much as \$6 million a year.<sup>[124]</sup> ALEC’s total revenue in 2011 was \$9 million.<sup>[64]</sup>

In 2010, ALEC received \$100,000 each from AT&T, Allergan, and R.J. Reynolds Tobacco Company to be named as “president level” sponsors at its annual meeting.<sup>[14]</sup> Eleven other members, including Pfizer (PFE) and the Institute for Legal Reform, paid \$50,000 each to be named as “chairman level” sponsors.<sup>[14]</sup> As of 2011, Altria, the Blue Cross Blue Shield Association, and BP America were also \$50,000 chairman level sponsors.<sup>[14]</sup>

Exxon Mobil’s foundation donated \$30,000 to ALEC in both 2005 and 2006. Alan Jeffers, an Exxon Mobil spokesman, said the company paid \$39,000 in dues in 2010 and sponsored a reception at the annual meeting in San Diego for \$25,000. In August 2011, Exxon spent \$45,000 to sponsor a workshop on natural gas.<sup>[125]</sup> According to the Center For Public Integrity, ALEC received \$150,000 from Charles and David Koch in 2011.<sup>[126]</sup> Greenpeace claims that ALEC has received \$525,858 from Koch foundations between 2005 and 2011.<sup>[127]</sup>

Corporate members also pay \$3,000 to \$10,000 for seats on task forces.<sup>[14]</sup>

According to a December 2013 article in *The Guardian*, ALEC faced a funding shortfall after “losing more than a third of its projected income”. Some 400 state legislators left its membership, along with more than 60 corporate donors.<sup>[39]</sup> The organization’s 2013 tax return indicated a 13% drop in total revenue from \$8.4 million to \$7.3 million.<sup>[128]</sup>

Peabody Energy funded ALEC with \$133,500 in the two years before its bankruptcy in 2016.<sup>[129]</sup> Some of the funding coincided with a Peabody-sponsored ALEC-meeting including Committee for a Constructive Tomorrow.<sup>[130][131]</sup>

## 8 See also

- Council of State Governments
- National Conference of State Legislatures (NCSL)
- State Government Affairs Council
- State Innovation Exchange (SiX) (formerly the American Legislative and Issue Campaign), an organization that produces model legislation from a progressive standpoint

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## 10 External links

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- [Organizational Profile – National Center for Charitable Statistics \(Urban Institute\)](#)
- [ALEC at DMOZ](#)
- "American Legislative Exchange Council Internal Revenue Service filings". *ProPublica Nonprofit Explorer*.

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# American Legislative Exchange Council

From SourceWatch

The **American Legislative Exchange Council** (ALEC) describes itself as the largest “membership association of state legislators,” but over 98% of its revenue comes from sources other than legislative dues, primarily from corporations and corporate foundations.<sup>[1]</sup> After the 2010 congressional midterm elections, ALEC boasted that “among those who won their elections, three of the four former state legislators newly-elected to the U.S. Senate are ALEC Alumni and 27 of the 42 former state legislators newly-elected to the U.S. House are ALEC Alumni.” (A full list of the Congressional freshmen who are ALEC alums can be found here

([http://www.alec.org/AM/Template.cfm?Section=release\\_6](http://www.alec.org/AM/Template.cfm?Section=release_6)).<sup>[2]</sup>

ALEC’s agenda extends into almost all areas of law. Its bills undermine environmental regulations and deny climate change (<http://www.alecexposed.org/wiki/Environment>); support school privatization ([http://www.alecexposed.org/wiki/Public\\_Education](http://www.alecexposed.org/wiki/Public_Education)); undercut health care reform ([http://www.alecexposed.org/wiki/Human\\_Health](http://www.alecexposed.org/wiki/Human_Health)); defund unions and limit their political influence

([http://www.alecexposed.org/wiki/Worker\\_Rights\\_and\\_Consumer\\_Rights](http://www.alecexposed.org/wiki/Worker_Rights_and_Consumer_Rights)); restrain legislatures’ abilities to raise revenue through taxes

([http://www.alecexposed.org/wiki/Tax\\_Loopholes](http://www.alecexposed.org/wiki/Tax_Loopholes)); mandate strict election laws that

disenfranchise voters ([http://www.alecexposed.org/wiki/Civil\\_Rights](http://www.alecexposed.org/wiki/Civil_Rights)); increase incarceration to benefit the private prison industry ([http://www.alecexposed.org/wiki/Guns,\\_Prisons,\\_Crime,\\_and\\_Immigration](http://www.alecexposed.org/wiki/Guns,_Prisons,_Crime,_and_Immigration)), among many other issues

([http://alecexposed.org/wiki/ALEC\\_Exposed](http://alecexposed.org/wiki/ALEC_Exposed)).<sup>[3]</sup>

ALEC is an "associate" member of the State Policy Network, a web of right-wing “think tanks” in every state across the country.<sup>[4]</sup>



Learn more  
(<http://www.alecexposed.org>)  
about corporations VOTING  
to rewrite our laws.



Learn more about how the State Policy  
Network aids ALEC and spins disinformation  
in the states.

## About ALEC

ALEC is a corporate bill mill. It is not just a lobby or a front group; it is much more powerful than that. Through ALEC, corporations hand state legislators their wishlists to benefit their bottom line. Corporations fund almost all of ALEC's operations. They pay for a seat on ALEC task forces where corporate lobbyists and special interest reps vote with elected officials to approve “model” bills. Learn more at the Center for Media and Democracy's ALECexposed.org (<http://alecexposed.org/>), and check out breaking news on our PRWatch.org site (<http://www.PRWatch.org>).

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## Koch Wiki

The Koch brothers -- David and Charles -- are the right-wing billionaire co-owners of Koch Industries. As two of the richest people in the world, they are key funders of the right-wing infrastructure, including the **American Legislative Exchange Council** (ALEC) and the State Policy Network (SPN). In SourceWatch, key articles on the Kochs include: Koch Brothers, Koch Industries, Americans for Prosperity, American Encore, and Freedom Partners.

## Key Resources on ALEC

- ALEC Alumni in Congress
- ALEC Award Winners
- ALEC Board of Directors
- ALEC Board of Scholars
- ALEC Boards & Task Forces
- ALEC Corporations
- ALEC FAQ ([http://alecexposed.org/wiki/What\\_is\\_ALEC%3F](http://alecexposed.org/wiki/What_is_ALEC%3F))
- ALEC Featured Speakers
- ALEC Funding (<http://www.prwatch.org/news/2011/07/10887/cmd-special-report-alecs->



Sign from the 2011  
Wisconsin protests



funding-and-spending)

- ALEC Hotels (<http://prwatch.org/news/2011/07/10877/alec-hotels>)
- ALEC & NCSL Comparison (<http://www.prwatch.org/news/2011/07/10882/comparison-alec-and-ncsl>)
- ALEC Non-Profits
- ALEC Politicians
- ALEC Report on Energy, the Environment, and Economics
- ALEC Reports from The Nation Magazine
  - ALEC & Democracy (<http://www.thenation.com>)
  - ALEC & Education (<http://www.thenation.com>)
  - ALEC & Health (<http://www.thenation.com>)
  - ALEC & Injury Law (<http://www.thenation.com>)
  - ALEC & Koch (<http://www.thenation.com>)
  - ALEC & Labor (<http://www.thenation.com>)
  - ALEC & Prisons (<http://www.thenation.com>)
- ALEC State Chairmen
- ALEC Staff
- ALEC Task Force Politicians
- ALEC Trade Groups
- Coming Soon:
  - ALEC & Tobacco (<http://prwatch.org/news/2011/06/10787/american-legislative-exchange-council-and-tobacco-industry>)
  - ALEC & Wisconsin (<http://www.prwatch.org/news/2011/07/10880/alec-and-corporate-interests-behind-sale-wisconsin>)
- Other Resources

## ALEC Funding

An in-depth discussion of ALEC funding by corporations and corporate foundations and ALEC's spending is available here (<http://www.prwatch.org/news/2011/07/10887/cmd-special-report-alecs-funding-and-spending>)

## ALEC History

*An in-depth discussion of ALEC history is forthcoming and will be linked to here. Until then...*

### Founding

ALEC was "founded in 1973 by Henry Hyde, Lou Barnett, and...Paul Weyrich"<sup>[5]</sup>.

Its articles of incorporation<sup>[6]</sup>, were signed by Donald L. Totten of Schaumburg IL, Donald Lukens of Middletown OH, and Louis Woody Jenkins of Baton Rouge LA.

### Originally promised "no attempt to influence legislation"

Surprisingly, the nascent group's statement of purpose included this assurance: "No substantial part of the activities of the corporation shall be the carrying on of propaganda, **or otherwise attempting to influence legislation.**"<sup>[6]</sup>

### Dec 1975 board

Beyond the 3 founders, the other board members listed in the Articles of Incorporation were:<sup>[6]</sup> John McCune, Alfred Dellibovi, James A. Mack, Diemer True, David Y. Copeland, Eva Scott, Robert Bales, Frank Henslee, Robert B. Monier, John O. Stull, and Calvin Rucker.

## Changes in the 1980s

The National Journal recognized the rising prominence of ALEC in the New Right movement of the mid-1980s in a major feature article. The article noted its connections to the Heritage Foundation, including a shared Capitol Hill building. It also described the organization's political wing, the now defunct ALEC-PAC, which in 1984 targeted 84 legislative seats in states. Notably, the state backed conservative Democrats in some races, getting involved in states with either thin conservative or liberal majorities including Ohio, New Mexico, Michigan, Pennsylvania, Delaware, Washington and Wisconsin.

Richard A. Viguerie, a leading new right conservative<sup>[7]</sup>, spoke of ALEC in the context of the growing movement, saying that "leading conservatives [had] 'fairly recently' determined that the state-local level 'is the missing piece of the puzzle for us.'"

Then executive director of ALEC Kathleen Teague Rothschild, reflecting the new thinking of conservative strategists, noted that "In Congress, you've got only one legislative body and they will either pass or kill your bill. In the states, if you're trying to get banking deregulation passed and you've lost in Kansas, Nebraska and Texas, it's not a total failure. You may well win in Arizona, California and New York that year. You've got 50 shots."

Teague also noted that a nationwide network present in every state could be effective in supporting amendments to the United States Constitution. "State legislatures must ratify constitutional amendments. If the cumulative efforts of the conservative PACs succeed in pressuring Congress to pass a school prayer or a balanced budget amendment", said Teague, "they'll have to get 38 states to pass those things. You have to have an active support network in the states when ratification time comes."

Corporations supporting ALEC in 1984 included the Edison Electric Institute, Procter & Gamble Co., Mary Kay Cosmetics Inc., Eli Lilly and Co., Hoffmann-LaRoche Inc., Adolph Coors Co. and ARCO. Teague described corporate interest in state legislative affairs as "rising so rapidly that 'I have more big corporations who want to see me, get involved and become members than we can practically cope with.'"

The chairman of ALEC's business policy board at the time was Donald Rumsfeld. Rumsfeld said that his interests in economics and government regulation, rather than social issues, led him to become involved with the organization.

## Later years

# Support for ALEC

## Corporate membership - price range and options

Corporations pay between \$7,000 and \$25,000 a year for membership in ALEC. Corporate membership in one of the nine ALEC task forces (or subcommittees) has separate and additional fees:<sup>[8]</sup>

- \$2,500 purchases membership in one of the following:
  - Commerce, Insurance and Economic Development Task Force
  - Education Task Force
  - Public Safety and Elections Task Force (disbanded April 2012)
- \$3,000 purchases membership in one of the following:
  - Civil Justice Task Force
  - Health and Human Services Task Force
  - Energy, Environment and Agriculture Task Force

- Tax and Fiscal Policy Task Force
- \$5,000 purchases membership in one of the following:
  - Communications and Technology Task Force
- \$10,000 purchases membership in the
  - International Relations Task Force

ALEC corporations can donate additional funds beyond these amounts. According to ALEC's by-laws, corporations also work with ALEC legislators who are its "state chairmen" to raise money from other corporations for "scholarships" for legislators to attend ALEC events.

According to Dennis Bartlett, an ALEC task force head who is also the executive director of the American Bail Coalition, "the organization is supported by money from the corporate sector, and, by paying to be members, corporations are allowed the opportunity to sit down at the table and discuss the issues that they have an interest in." <sup>[9]</sup>

## Other support options

Corporations can sponsor annual ALEC conferences, offer grants for specific projects, or just give ALEC money. For example, in 2005 ExxonMobil spent \$90,000 sponsoring the ALEC 2005 annual conference, gave \$80,000 towards the "Energy Sustainability Project," and an additional \$71,500 for "general operating support."<sup>[10]</sup> ExxonMobil or its foundation has given over \$1.4 million to ALEC in the past decade or so, according to the Form 990s filed by the ExxonMobil Foundation and other corporate documents, compiled by the Greenpeace project "Exxon Secrets."<sup>[11]</sup>

## Trade Associations and Foundations

Corporate trade groups and other non-profit groups also make donations to ALEC of undisclosed sums. Examples include the NRA, the American Bail Association, and the American Petroleum Institute. There are also others listed here ([http://www.sourcewatch.org/index.php?title=ALEC\\_Corporations](http://www.sourcewatch.org/index.php?title=ALEC_Corporations)).

Additionally, ALEC has received millions from right-wing foundations created by corporate CEOs or their heirs over the years and which advance a corporate agenda through donations. Here are some of the foundations that are or have been donors to ALEC:

- The Charles G. Koch Foundation and Claude R. Lambe Foundation-- both are Koch Family Foundations that Charles Koch is centrally involved in. Charles Koch is the CEO of Koch Industries, the "largest privately owned energy company in the nation."<sup>[12]</sup> Other groups it has funded include the Cato Institute, Heritage Foundation, the Institute for Humane Studies, the Heartland Institute and the National Taxpayers Union Foundation. The Koch Associate program of the Charles G. Koch Foundation also provides ALEC and other groups with "Koch Interns" and "Koch Fellows." Some Koch Fellows go on to become ALEC staffers, such as Jonathan Williams, Director of ALEC's Tax and Fiscal Policy Task Force. Research from CMD and Greenpeace documents that the Koch foundations have given ALEC at least \$600,000 in the past decade or so, and Koch Industries has donated an untold amount (<http://www.prwatch.org/news/2011/07/10887/cmd-special-report-alecs-funding-and-spending>).
- Allegheny Foundation – This is one of the Scaife Foundations, which have been heavily involved in financing right-wing causes supported by billionaire Richard Mellon Scaife, whose wealth was inherited from the Mellon industrial, oil, uranium and banking fortune. Other groups it has funded include the Heritage Foundation and the Free Congress Foundation.<sup>[13]</sup>
- Castle Rock Foundation -- Founded in 1993 with a \$36.6 million endowment from the Adolph Coors Foundation (which was in turn founded in 1975 with funds from Adolph Coors, Jr., the son of the founder of the Coors Brewing Company).<sup>[14]</sup> Other groups it has funded include the Americans for Prosperity Foundation, the Heritage Foundation,

the Cato Institute and the National Right to Work Legal Defense Foundation, among others.<sup>[15]</sup>

- JM Foundation -- Founded in 1924 by Jeremiah Milbank.<sup>[16]</sup> Other groups it has funded include the Americans for Prosperity Foundation, the Cato Institute, FreedomWorks and the Heritage Foundation.
- Lynde and Harry Bradley Foundation -- Founded in 1942 as the Allen-Bradley Foundation, its "overall objective... is to return the U.S.-- and the world-- to the days before governments began to regulate Big Business, before corporations were forced to make concessions to an organized labor force."<sup>[17]</sup> Other groups it has funded include the American Conservative Union Foundation, the Americans for Prosperity Foundation, the Cato Institute, the Competitive Enterprise Institute, Focus on the Family and Freedom Works.<sup>[18]</sup>
- John M. Olin Foundation -- Founded in 1953 by John Merrill Olin, a chemical and munitions inventor and industrialist, the foundation closed down in 2005. It has funded ALEC and other right-wing groups such as the American Enterprise Institute, the Heritage Foundation, the Manhattan Institute for Public Policy Research and the Hoover Institution on War, Revolution and Peace.<sup>[19]</sup>

## Membership

ALEC claims its membership includes around 2,000 state legislators ("Public Sector Members") and 300 corporate and corporate representatives ("Private Enterprise Members").<sup>[20]</sup>

### "Public Sector Members"

Elected legislators can join ALEC by paying a token fee of \$50 a year.<sup>[21]</sup>

While the membership fee for legislators is nominal, some legislators have used taxpayer dollars to pay it. For example, in Wisconsin, open records requests revealed that 12 senators, all Republicans, had their ALEC membership dues paid by taxpayer funds.<sup>[22]</sup>

ALEC does not release the identities of its over legislative members. Some legislators tout their role in ALEC while others take a lower profile with ALEC. The Daily Kos blogger project, called Exposing ALEC, has been compiling a ALEC legislative member list, past and present, here ([https://spreadsheets.google.com/spreadsheet/ccc?key=0ArzP3BOHR47LdEFEYjFtZ2YxQWpBOG04RGtKc1BWR0E&hl=en\\_US&authkey=CKyT4psM#gid=0](https://spreadsheets.google.com/spreadsheet/ccc?key=0ArzP3BOHR47LdEFEYjFtZ2YxQWpBOG04RGtKc1BWR0E&hl=en_US&authkey=CKyT4psM#gid=0)).

ALEC's legislative board, legislative task force co-chairs, and legislative state co-chairs are almost all from the same political party. The legislators on the Board of Directors, as of June 6, 2011, are all Republican (see here). Only one person out of a little more than 100 in these roles appears to be a Democrat, as of July 2011.

## ALEC Task Forces

ALEC model legislation is introduced in, and initially approved by, one of nine "task forces," which are chaired by both elected officials and "private sector" corporate members.<sup>[23]</sup> ALEC corporations are often represented by their lobbyists on ALEC's board or task forces, and their representatives discuss and vote on legislation with legislators.<sup>[24]</sup> For example, according to the American Association for Justice, in the area of "tort reform" legislation, "the nuts and bolts of . . . crafting legislation is done by large corporate defense firm Shook, Hardy & Bacon," which has defended tobacco companies and other corporations against lawsuits.<sup>[25]</sup> The law firm's partner, Victor Schwartz is a long-time co-chair of ALEC's "civil justice" task force.

The task forces as of 2011 are:<sup>[26]</sup>

- Civil Justice Task Force;
- Commerce, Insurance and Economic Development Task Force;
- Education Task Force;
- Energy, Environment and Agriculture Task Force;
- Health and Human Services Task Force;
- International Relations Task Force;
- Public Safety and Elections Task Force;
- Tax and Fiscal Policy Task Force; and
- Telecommunications and Information Technology Task Force.<sup>[27]</sup>

The ALEC corporate and politician boards of directors meet jointly annually at a meeting that constitutes the final say over the bills and other matters for the organization. (*ALEC says corporations do not vote at that meeting.*<sup>[28]</sup>)

## Secrecy and Lobbying

Under ALEC's published by-laws, legislators who are ALEC "state chairmen" have a "duty" to get the model bills introduced in their state legislatures.<sup>[29]</sup> However, when ALEC legislation is introduced in state houses, it is under the name of the sponsoring legislator rather than ALEC itself, with no mention that the bill was pre-voted on by corporations through ALEC or even connecting the bill to ALEC. The task forces obscure how "corporations [get] access and influence for which they'd otherwise be publicly scrutinized."<sup>[30]</sup>

NPR reported that "much about ALEC is private. It does not disclose how it spends its money or who gives it to them. ALEC rarely grants interviews. [Senior Director of Policy Michael] Bowman won't even say which legislators are members. Is it lobbying when private corporations pay money to sit in a room with state lawmakers to draft legislation that they then introduce back home? Bowman, a former lobbyist, says, "No, because we're not advocating any positions. We don't tell members to take these bills. We just expose best practices. All we're really doing is developing policies that are in model bill form."<sup>[31]</sup>

The American Prospect quoted "someone familiar with the organization" of ALEC as saying, "The totality of what they do is lobby. It's a self-sustaining con game." ALEC, however, denied the charge. ALEC's then spokesman Bob Adams (who now runs and is the only employee of the front group "League of American Voters" CHECK) insisted, "We don't lobby... We don't introduce legislation at the state level. We just don't do that."<sup>[32]</sup>

In 2009, however, reporters discovered that Shook, Hardy and Bacon attorneys Mark Behrens and Corey Schaecher traveled to North Dakota to speak with legislators and their staff about ALEC's asbestos bill, called the "Innocent Successor Liability Act," without registering as lobbyists. At least three days after Schaecher was known to have been lobbying legislators, the ALEC asbestos liability bill was introduced on January 15 as HB 1430. The "North Decoder" blog revealed their lobbying activities on January 23, 2009; within hours, ALEC submitted letters of authorization permitting Behrens and Schaecher to lobby on their behalf, the same day the corporation most likely to benefit from the legislation, Crown, Cork, and Seal, also registered the two as lobbyists. On January 27, Behrens testified before the North Dakota House Judiciary Committee in support of the legislation, and the following day, ALEC threw a party for legislators so they could "learn more about America's premier legislative organization."<sup>[33]</sup> According to the National Institute on Money in State Politics, this is the only instance in which ALEC has ever registered to lobby in any state.<sup>[34]</sup> In its 2009 IRS Form 990, in response to the question "Did the organization participate in lobbying activities" (page 3 question 4), ALEC replied "no."<sup>[35]</sup>

## Conferences

ALEC holds three primary meetings each year: the “Spring Task Force Summit” meeting of ALEC Task Force members, the four-day “Annual Meeting” in the summer for all ALEC members, and the three-day “States and Nation Policy Summit” that “introduces the ALEC agenda to newly elected and freshman state legislators.”<sup>[36]</sup><sup>[37]</sup> In the ALEC brochure advertising corporate membership, it describes these three gatherings as “meetings and networking opportunities.”

Defenders of Wildlife (DOW) and the Natural Resources Defense Council (NRDC) pointed out in their 2002 report on ALEC that for legislators, one of the chief benefits of ALEC membership is the opportunity to take at least one subsidized or all-expenses-paid trip that looks a lot like a vacation.<sup>[38]</sup>

The conferences are held in cities across the country, often at high-end hotels (<http://prwatch.org/news/2011/07/10877/alec-hotels>). ALEC’s 2010 annual meeting, for example, was held in San Diego at the Manchester Grand Hyatt resort; the 2011 summer meeting is at a post New Orleans Marriott in the French Quarter. Legislators are encouraged to bring their spouses and families, and can pay a \$250 fee for their six-month old child or teen to participate in babysitting program called “Kids Congress.” ALEC’s 2009 IRS Form 990 indicates over \$250,000 was spent on childcare.<sup>[39]</sup>

Unlike for the United States Congress, most state-level legislators in the nation are part-time, and many state legislatures meet for only part of the year. The average annual salary for state legislators is \$45,880, ranging from a low of \$19,260 (in New Hampshire) to a high of \$78,500 (in New York).<sup>[40]</sup>

In Wisconsin, where the Center for Media and Democracy is located, the total compensation for state legislators is \$49,943.<sup>[41]</sup> According to the U.S. Bureau of Labor Statistics, base compensation is \$19,860 as of May, 2010.<sup>[42]</sup> Like many states, the Wisconsin Senate and Assembly are not in session year-round, and so many legislators supplement their state salary with other part-time earnings.<sup>[43]</sup>

For a Wisconsin legislator, the costs of attending an ALEC conference at a resort could be more than five percent of that legislator's state salary. Those expenses, though, are sometimes paid for with taxpayer dollars, or reimbursed by ALEC's corporate-funded coffers.

An examination of financial disclosure forms filed in 1999 and 2000, for example, showed that taxpayers footed the bill for at least \$3 million each year in connection with legislators’ travel to ALEC-sponsored meetings.<sup>[44]</sup> According to NRDC, “that means each year a significant amount of taxpayer money is helping ALEC do its business, which is predominantly aimed at advancing corporate special interests.”<sup>[45]</sup>

An untold number of state lawmakers accept “scholarships” from the corporate-funded ALEC, or in some cases, directly from corporate lobbyists.<sup>[46]</sup> Without that “scholarship,” attending an ALEC conference could be a vacation the legislator might not otherwise be able to afford. Some states, especially in the South and West, have written explicit exceptions into state ethics laws to permit legislators to accept “scholarships” from ALEC. NPR reported that looking at Arizona's legislators who attended the ALEC conference, no one declared receiving gifts. “Sen. Pearce and a dozen others wrote that they received a gift of \$500 or more from ALEC. A review of the two dozen states now considering Arizona's immigration law shows many of those pushing similar legislation across the country are ALEC members. In fact, five of those legislators were in the hotel conference room with the Corrections Corporation of America the day the [immigration] model bill was written. The prison company didn't have to file a lobbying report or disclose any gifts to legislators. They don't even have to tell anyone they were there. All they have to do is pay their ALEC dues and show up.”<sup>[47]</sup> ALEC’s website claims that in each legislative cycle, its members introduce around 1000 pieces of legislation based on ALEC bills, with roughly 18% enacted into law.

## Finances

### Potential IRS Audit

As of the end of 2012, ALEC appeared to be anticipating an IRS audit, after multiple complaints challenging the "corporate bill mill's" charitable status, based on documents recently obtained by *Bloomberg News*.<sup>[48]</sup>

According to internal ALEC documents, the organization has discussed forming a nonprofit organized under Section 501(c)(4) of the tax code, apparently in anticipation of the IRS revoking ALEC's current "charitable" status. Charities (which are organized under Section 501(c)(3) of the tax code) as well as nonprofits are tax exempt, but ALEC's charitable status had allowed its corporate members to write-off their ALEC membership dues and costs as tax-deductible charitable contributions. ALEC Executive Director Ron Scheberle discussed forming a 501(c)(4) called "ALEC NOW" in an August memo, claiming that if a 501(c)(4) were "operating fully prior to an IRS audit," the agency might allow the newly-formed (c)(4) to continue operating and take over activities impermissible for a (c)(3) charity.<sup>[48]</sup>

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ALEC's 2007-2009 Internal Revenue Service 990 Returns show the following financial data:

## 2011 Expenses & Revenue

Gross Receipts: \$9,218,069

- Task Forces: \$3,039,881 (Expenses) and \$88,859 (Revenue)
- Conferences: \$1,788,553 (Expenses) and \$1,251,954 (Revenue)
- Membership Recruitment: \$757,555 (Expenses) and \$97,321 (Revenue)
- Compensation of Current Officers, Directors, Trustees, and Key Employees: \$322,259
- Other Salaries and Wages: \$1,651,974
- Travel: \$130,083

## 2010 Expenses & Revenue

Gross Receipts: \$7,171,357

- Task Forces: \$2,125,791 (Expenses) and \$30,954 (Revenue)
- Conferences: \$1,867,332 (Expenses) and \$1,025,862 (Revenue)
- Membership Recruitment: \$474,504 (Expenses) and \$84,883 (Revenue)
- Compensation of Current Officers, Directors, Trustees, and Key Employees: \$547,245
- Other Salaries and Wages: \$1,675,139
- Travel: \$258,769

## 2009 Expenses & Revenue

Gross Receipts: \$6,271,633

- Task Forces: \$2,634,723 (Expenses) and \$31,905 (Revenue)
- Conferences: \$2,026,119 (Expenses) and \$844,448 (Revenue)
- Membership Recruitment: \$664,886 (Expenses) and \$82,981 (Revenue)
- Childcare: \$251,873
- Compensation of Current Officers, Directors, Trustees, and Key Employees: \$312,842
- Other Salaries and Wages: \$1,755,460
- Travel: \$269,237

## 2008 Expenses & Revenue

Gross Receipts: \$6,975,222

- Task Forces: \$2,977,527 (Expense) and \$25,130 (Revenue)
- Conferences: \$2,204,173 (Expense) and \$1,189,026 (Revenue)
- Membership Recruitment: \$717,090 (Expenses) and \$93,387 (Revenue)
- Compensation of Current Officers, Directors, Trustees, and Key Employees: \$433,301
- Other Salaries and Wages: \$1,764,018
- Legal: \$32,868
- Accounting: \$88,367
- Occupancy: \$649,344

## 2007 Expenses & Revenue

Gross Receipts: \$6,130,496

### Expenses

- Officer Compensation: \$397,837
- Compensation of "Others": \$1,741,863
- Print and Publications: \$206,921
- Travel: \$403,921
- Conferences, Conventions, and Meetings: \$2,204,995
- Task Forces: \$2,459,483
- Membership Recruitment: \$732,565
- Public Affairs: \$311,670
- Legal: \$111,528
- Accounting: \$82,774
- Consultant Fees: \$395,684
- Meals, Lodging and Entertainment: \$1,605,780

### Income-Producing Activities

- Conference and Seminars: \$950,075

Total: \$1,672,623

## Contact Information

American Legislative Exchange Council  
1101 Vermont Ave. N.W., 11th Floor  
Washington, D.C. 20005  
Phone: 202-466-3800 | Fax: 202-466-3801<sup>[49]</sup>

## Articles and Resources

### External Articles and Resources

- Common Cause Letter to the IRS (<http://www.commoncause.org/atf/cf/%7Bfb3c17e2-cdd1-4df6-92be-bd4429893665%7D/COMMON-CAUSE-COMPLAINT-TO-IRS-RE-ALEC.PDF>) (July 14, 2011) - contains a copy of the ALEC "Task Force Operating Procedures"
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  - Ghostwriting the Law (<http://motherjones.com/politics/2002/09/ghostwriting-law>), *Mother Jones* (2002)
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  - ALEC Report ([http://www.cjcj.org/files/The\\_American\\_Legislative\\_Exchange\\_Council.pdf](http://www.cjcj.org/files/The_American_Legislative_Exchange_Council.pdf)), *Center on Juvenile and Criminal Justice* (2011)
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## POLITICS

# Exxon Continued Paying Millions To Climate-Change Deniers Under Rex Tillerson

The company, led by Donald Trump's pick for secretary of state, has supposedly shifted its stance on global warming. But the receipts suggest otherwise.

🕒 01/09/2017 04:17 pm ET | Updated 4 hours ago



Alexander C. Kaufman f t

Senior Business Editor, The Huffington Post



JESSICA RINALDI / REUTERS

President-elect Donald Trump has nominated outgoing Exxon Mobil CEO Rex Tillerson for secretary of state.

Exxon Mobil Corp. [promised](#) nine years ago to stop donating to groups that spread misinformation about climate change. Yet between 2008 and 2015, the oil giant's charitable arm gave over \$6.5 million to groups that deny that burning fossil fuels is causing global warming, a new analysis shows.

The [analysis](#), which the advocacy nonprofit NextGen Climate put together and The Huffington Post independently verified, includes donations to industry associations, which tend toward skepticism on environmental concerns, and research organizations that openly oppose the [scientific consensus](#) on climate change.

The Exxon Mobil Foundation donations are disclosed in [publicly available documents](#), but they cast fresh doubt on the [supposed shift on climate change](#) that outgoing CEO Rex Tillerson oversaw in his decade leading the company. Tillerson, President-elect Donald Trump's nominee for secretary of state, will likely face scrutiny for his stance on global warming in two Senate confirmation hearings scheduled for Wednesday.

The analysis does not include data from 2016, but still represents a conservative estimate. A broader analysis by the [Climate Investigations Center](#), which included Exxon Mobil's contributions to trade groups such as the U.S. Chamber of Commerce, pegged the company's donations to climate science deniers at \$9.9 million between 2008 and 2015.

Exxon Mobil donated a total of \$800,000 to the National Black Chamber of Commerce between 2008 and 2015. Harry Alford, the association's chief executive,

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once [suggested in a statement](#) on the group's website that global warming is a "superstition" pushed by advocates using "scare tactics."

During that same period, Exxon Mobil channeled at least \$485,000 to the American Legislative Exchange Council, a conservative policy group so notorious for its opposition to environmental regulations that energy giants [Shell](#) and [BP](#) have cut ties with it. Exxon Mobil, for its part, has organized two sessions at ALEC meetings to brief state lawmakers on its support for a tax on carbon, Exxon spokesman Alan Jeffers said.

"ExxonMobil does not fund climate denial," Jeffers told HuffPost in an email, calling the donation list "attack propaganda" and "a McCarthyism-era blacklist." "This is nonsense. Your readers deserve better."

Yet the company also lavished money on groups that took more radical stances against climate science. [The Federalist Society for Law and Public Policy Studies](#), which has called global warming "nothing more than an educated guess," received at least \$120,000 in \$15,000 annual installments between 2008 and 2015.

The Mountain States Legal Fund, which [once described itself](#) as the "litigation arm" of an "anti-environmental" movement, got \$70,000 over the same period.

The [Washington Legal Foundation](#), which has repeatedly battled the Environmental Protection Agency over clean air and water rules, received at least \$320,000 from Exxon Mobil between 2008 and 2015 in \$40,000 donations. The nonprofit once [cited in an amicus brief](#) the cringe-worthy claim that water vapor was somehow a "far more powerful" greenhouse gas than carbon dioxide.

To be sure, Exxon Mobil did tweak its public messaging on climate change during Tillerson's reign. Despite donating to anti-climate groups and politicians who deny climate science, the company [backed](#) the historic Paris climate agreement and has publicly supported a carbon tax. The firm already sets aside \$60 per metric ton of carbon pollution as part of an internal pricing scheme.

Yet the oil giant has never fully owned up to the years it spent undermining public knowledge about climate science with a Big Tobacco-style disinformation campaign. In October, reports from [InsideClimate News](#) and the [Los Angeles Times](#) revealed that the company understood global warming decades ago and covered up the evidence anyway. The exposés prompted a group of state attorneys general to [begin investigating](#) corporations for fraud for allegedly misleading the public on climate change.

"On Rex Tillerson's watch, Exxon is accused of misleading the public about what it knew of the threat from climate change, for which it's now under investigation by multiple State's Attorney Generals," said Corinna Gilfillan, head of the U.S. office for

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the British anti-corruption nonprofit Global Witness. “At the same time it has systematically struck backroom deals with tyrannical regimes and been at the forefront of Big Oil’s efforts to gut laws that would reduce corruption in the oil, gas and mining sector. For all these reasons, he shouldn’t become our top diplomat or global representative on climate.”

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# ExxonMobil and Iran did business under secretary of State nominee Tillerson

**Oren Dorell, USA TODAY** Published 4:26 p.m. ET Jan. 9, 2017 | Updated 4 minutes ago



(Photo: Eric Piermont, AFP/Getty Images)

ExxonMobil did business with Iran, Syria and Sudan through a European subsidiary while President-elect Donald Trump's nominee for secretary of State was a top executive of the oil giant and those countries were under U.S. sanctions as state sponsors of terrorism, Securities and Exchange Commission filings show.

That business connection is likely to surface Wednesday at a confirmation hearing for ExxonMobil CEO Rex Tillerson before the Senate Foreign Relations Committee.

The sales were conducted in 2003, 2004 and 2005 by Infineum, in which ExxonMobil owned a 50% share, according to SEC documents unearthed by American Bridge, a Democratic research group.

ExxonMobil told USA TODAY the transactions were legal because Infineum, a joint venture with Shell Corporation, was based in Europe and the transactions did not involve any U.S. employees.

The filings, from 2006, show that the company had \$53.2 million in sales to Iran, \$600,000 in sales to Sudan and \$1.1 million in sales to Syria during those three years.

## **Who is Rex Tillerson, Trump's secretary of State pick?**

(<http://www.usatoday.com/story/news/politics/onpolitics/2016/12/13/who-is-rex-tillerson-trump-secretary-of-state-pick/95368342/>)

## **Secretary of State nominee Rex Tillerson's ties to Russia worry GOP, too**

(<http://www.usatoday.com/story/news/politics/elections/2016/12/13/donald-trump-rex-tillerson-secretary-of-state/95365434/>)

He became a senior vice president at ExxonMobil in August 2001, president and director in March 2004 and chairman and chief executive on Jan. 1, 2006.

The SEC letter questioned ExxonMobil's failure to disclose to shareholders that it had transactions with three state sponsors of terrorism. Decisions to make such disclosures should be based on "the potential impact of corporate activities upon a company's reputation and share value," and not simply the monetary value of the transactions, the SEC said.

Compared to Exxon's overall annual revenue of \$371 billion, "these transactions are not material by any reasonable measure," Richard Gutman, ExxonMobil's assistant general counsel at the time, wrote in response to an SEC inquiry regarding the transactions. He did not address the SEC's concerns about the impact on the oil company's reputation.

Infineum's European affiliates manage business transactions in those three countries "under a policy and procedure consistent with U.S. legal requirements and no United States person is involved in those business transactions," Gutman wrote. The subsidiary has offices in the United States, United Kingdom and Singapore.

"These are all legal activities complying with the sanctions at the time," Alan Jeffers, media manager at ExxonMobil, told USA TODAY. "We didn't feel they were material because of the size of the transactions."

## **Nine Trump nominees face Senate hearings this week**

(<http://ux.usatoday.com/story/news/politics/2017/01/09/nine-trump-nominees-face-senate-hearings-week/96348578/>)

"They (Infineum) have an independent management that operates the entity. And it's not a U.S. entity," Jeffers said.

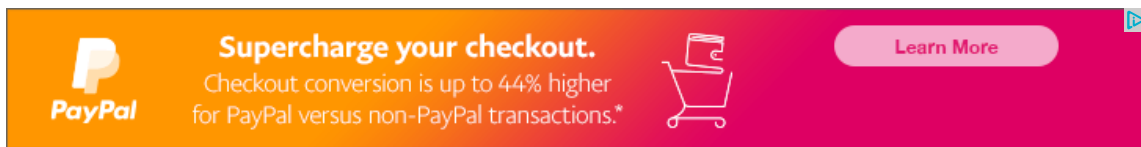
At the time of the SEC inquiry, such indirect transactions between Iran and American companies were not unusual, said Mark Dubowitz, an expert on Iran sanctions at the Foundation for Defense of Democracies, a Washington think tank.

"It's the reason Congress eventually shut down U.S. companies from doing business (with Iran) through foreign subsidiaries," Dubowitz said. Congress also required such transactions to be disclosed. The Iran nuclear deal that went into effect in early 2016 reopened the loophole under certain conditions, Dubowitz said.

Sen. Bob Menendez of New Jersey, the ranking Democrat on the Foreign Relations panel, said he was "deeply skeptical about Mr. Tillerson's actions as CEO of Exxon that were in direct contravention to express United States policies put in place to secure Americans and our country."

"Finding loopholes to make lucrative business deals with geo-political adversaries, while showing no clear regard for U.S. national interests, is not a resume builder for a prospective diplomat-in-chief," Menendez said in a statement to USA TODAY. "This is one of the many issues I look forward to hearing more about during the upcoming confirmation hearings."

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# SEC investigating Exxon Mobil on climate change, accounting practices: Report

Christine Wang | @christiiineeee  
Tuesday, 20 Sep 2016 | 6:16 PM ET

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Exxon mobile refinery

The [Securities and Exchange Commission](#) is reportedly investigating [Exxon Mobil](#) over how it factors in climate risk in pricing its projects.

[The Wall Street Journal](#) also reported that the investigation is looking into the company's accounting practices.

Exxon shares neared a session low after the report and ended the day about 1.5 percent lower.

The SEC declined to comment to CNBC.

The company is working with the SEC, said Alan Jeffers, a spokesman for Exxon.

"The SEC is the appropriate entity to examine issues related to impairment, reserves and other communications important to investors. We are fully complying with the SEC request for information and are confident our financial reporting meets all legal and accounting requirements," he said in a statement.



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Last week, the [Journal](#) citing people familiar with the matter reported that New York Attorney General Eric Schneiderman has been [inquiring into why the company has not written down the value of its assets](#) despite a decline in oil prices.

Schneiderman's office is already looking into whether the oil giant's past research into climate change, which did not become public until recently, could impact its business and shareholders.

The *Journal* said the SEC's probe is similar to Schneiderman's.

[Read the full report in \*The Wall Street Journal\*.](#)



Christine Wang

News Associate

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## Seething With Anger, Probe Demanded into Exxon's Unparalleled Climate Crime

'Very few things truly piss me off,' says Bill McKibben, but no corporation has ever 'done anything bigger and badder' than what ExxonMobil has done in this case.

by [Jon Queally](#), staff writer

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Kicked off by investigative reporting and spearheaded by 350.org co-founder Bill McKibben, the call for a federal investigation has been growing over recent weeks. (Photo: AP)

A broad coalition of community groups along with prominent leaders from the nation's top civil rights, environmental, and indigenous people's movements on Friday sent a [joint letter](#) to the U.S. Department of Justice demanding a federal investigation into allegations that oil giant ExxonMobil knew about the role fossil fuels played in driving climate change since the 1970s but concealed that information—and later sought to discredit those issuing warnings—in order to protect its own financial interests.

Addressed to Attorney General Loretta Lynch, the letter cites recent reporting by the *Los Angeles Times* and *Inside Climate News*—both of which offered devastating details into the manner and scope of the decades-long public deceit—and argues that a DOJ probe is warranted to determine whether criminal charges should be brought against the energy behemoth.

**"Anyone who's lived through 25 years of phony climate debate, or who's seen the toll climate change is already taking on the most vulnerable communities,**



[Maybe This Is How Democracy Ends](#)



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Rex Tillerson Is Big Oil Personified. The Damage He Can Do Is Immense](#)  
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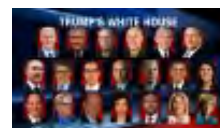
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"Given the damage that has already occurred from climate change—particularly in the poorest communities of our nation and our planet—and that will certainly occur going forward, these revelations should be viewed with the utmost apprehension," the letter states. "They are reminiscent—though potentially much greater in scale—than similar revelations about the tobacco industry."

**has been seething at these revelations."**  
**—Bill McKibben,**  
**350.org**

Kicked off by the investigative reporting and spearheaded by 350.org co-founder Bill McKibben—who [staged a one-person civil disobedience action](#) earlier this month to draw attention to the issue—the call for a federal investigation has been growing over recent weeks.

"Despite Exxon's wealth and power, people were eager to sign on to this statement," McKibben said on Friday. "Anyone who's lived through 25 years of phony climate debate, or who's seen the toll climate change is already taking on the most vulnerable communities, has been seething at these revelations. It reminds me of the spirit at the start of the Keystone battle."

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Just over two weeks ago, U.S. Reps. from California Ted Lieu (D-Los Angeles) and Mark DeSaulnier (D-Walnut Creek) also wrote a [letter](#) to Lynch demanding an investigation and specifically called



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for RICO statutes to be used to determine whether or not the behavior of Exxon constituted a criminal conspiracy.

"If these allegations against Exxon are true, then Exxon's actions were immoral," Lieu and DeSaulnier wrote to the attorney general. "We request the DOJ investigate whether ExxonMobil's actions were also illegal."

Initiating a [public petition campaign](#) to bolster their call for the DOJ probe, McKibben sent a letter to members of 350.org on Friday morning in which he stated "very few things truly piss me off," but that in his mind it seems that no corporation has ever "done anything bigger and badder" than what ExxonMobil has done in this case.

"Just think how much would be different if Exxon had told the truth," he continued. "We wouldn't fully have solved global warming but we'd be well on the way—there would have been no 25 year phony pretend debate. There'd be a lot more solar panels, and a lot less carbon in the air. There'd be a lot more green jobs, and a lot fewer communities, most of them low income and communities of color, dealing with the terrible health impacts of pollution. None of you would have had to fight simply to get climate change taken seriously; instead we'd all be hard at work on solutions."

That, of course, is not how the last four decades have played out and for that, he stated, "I think we should be angry."

The full text of Friday's letter and list of signatories follows:

*Dear Attorney General Lynch,*



'Are We Living in Nazi Germany?': Trump Lashes Out Ahead of Press Conference



Senate Republicans Just Made Clear Their Desire to Gut Essential Healthcare Services



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'Believe,' says Obama. 'Not in My Ability to Bring About Change – But in Yours.'

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[Moving Terrifyingly Up From Clubs and Cattle Prods To Federal Power](#)



Of Tuesday's surreal Sessions hearing - aka day of "unremitting banality in the face of questioning" - two moments stand out. One was the trashing of Sessions' lies about his record by a calm, take-no-prisoners Al



*As leaders of some of the nation's environmental, indigenous peoples and civil rights groups, we're writing to ask that you initiate a federal probe into the conduct of ExxonMobil. New revelations in the Los Angeles Times and the Pulitzer-prize-winning InsideClimate News strongly suggest that the corporation knew about the dangers of climate change even as it funded efforts at climate denial and systematically misled the public.*

*Given the damage that has already occurred from climate change—particularly in the poorest communities of our nation and our planet—and that will certainly occur going forward, these revelations should be viewed with the utmost apprehension. They are reminiscent—though potentially much greater in scale—than similar revelations about the tobacco industry.*

*These journalists have provided a remarkable roadmap to this corporation's potential misconduct. We would ask that you follow that map wherever it may lead, employing all the tools at your disposal to uncover the truth.*

*Signed,*

*Margie Alt, Executive Director of Environment America*

*Kenny Ausubel, Nina Simons, Founders of Bioneers*

*Sally Bingham, President and Founder of Interfaith Power and Light*

*May Boeve, Bill McKibben, Founders of 350.org*

*Michael Brune, Executive Director of Sierra Club*

*Robert Bullard, Author and John Muir Award winner, 2013*

Franken, glorious to behold. The other, unfolding beyond, was the first-time publication of a fiery letter by MLK widow Coretta King that helped block his 1986 judgeship. Sessions' "shabby" acts of racism, she charged, would "irreparably damage the work of my husband."

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*Annie Leonard, Executive Director of Greenpeace USA*

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*Matt Nelson, Managing Director of Presente.org*

*Brant Olson, Campaign Director at Climate Truth*

*Erich Pica, President of Friends of the Earth*

*Cindy Shogan, Executive Director of Alaska Wilderness League*

*Reverend Fred Small, President of Creation Coalition*

*Gus Speth, Former Dean Yale School of Forestry and the Environment*

*Tom Steyer, Founder of NextGen*

*Rhea Suh, President of the Natural Resources Defense Council*

*Vien Truong, Director of Green for All*

*Joe Uehlein, Executive Director of Labor Network for Sustainability*

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*Bean Soup Times*

*Ecumenical Poverty Initiative*

*Beats Rhymes & Relief*

*Freddie Gray Project*

*Beloved Community Center*

*Neighbors United of Southeast Greensboro, NC*

*The Foundation of Women in Hip Hop*

*The Gathering for Justice/Justice League NYC*

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*that revelations that the company knew about climate change as early as the 1970s, but chose to mislead the public about the crisis in order to maximize their profits from fossil fuels.*

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# ADDENDUM H

U.S. Department of Justice

Office of Legislative Affairs

Office of Assistant Attorney General

Washington, D.C. 20530

January 12, 2016

The Honorable Ted W. Lieu  
U. S. House of Representatives  
Washington, DC 20515

The Honorable Mark DeSaulnier  
U. S. House of Representatives  
Washington, DC 20515

Dear Congressman Lieu and Congressman DeSaulnier:

This responds to your letter to the Attorney General dated October 14, 2015, requesting that the Department of Justice (the Department) open an investigation into whether ExxonMobil may have violated the Racketeer Influenced and Corrupt Organizations Act and related laws for failing to disclose truthful information to investors and the public regarding climate science.

As a courtesy, we have forwarded your correspondence to the Federal Bureau of Investigation (FBI). The FBI is the investigative arm of the Department, upon which we rely to conduct the initial fact finding in federal cases. The FBI will determine whether an investigation is warranted. If you have any additional information, or if you would like to follow up with the FBI, you can call (202) 324-3000, or write to:

Mr. Joseph S. Campbell  
Assistant Director  
Criminal Investigative Division  
Federal Bureau of Investigation  
935 Pennsylvania Avenue NW  
Washington, DC 20535.

We hope this information is helpful. Please do not hesitate to contact this office if we may provide any additional assistance regarding this or any other matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter J. Kadzik".

Peter J. Kadzik  
Assistant Attorney General

## ADDENDUM I

# California to investigate whether Exxon Mobil lied about climate-change risks



Exxon Mobil, which operates a refinery in Torrance, above, has issued statements denying news reports that it suppressed climate-change research. (Christina House / For The Times)



By **Ivan Penn**

JANUARY 20, 2016, 3:00 AM

**C**alifornia Atty. Gen. **Kamala D. Harris** is investigating whether Exxon Mobil Corp. repeatedly lied to the public and its shareholders about the risk to its business from climate change — and whether such actions could amount to securities fraud and violations of environmental laws.

Harris' office is reviewing what Exxon Mobil knew about global warming and what the company told



investors, a person close to the investigation said.

The move follows published reports, based on internal company documents, suggesting that during the 1980s and 1990s the company, then known as Exxon, used climate research as part of its planning and other business practices but simultaneously argued publicly that climate-change science was not clear cut.

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Those documents were cited in stories by reporters for [Columbia University Energy and Environmental Reporting Fellowship](#), [published in partnership with the Los Angeles Times](#). The nonprofit InsideClimate News also published several stories based on the documents.

Shortly after the news reports, Harris' office launched the investigation in response to the findings, the person said. New York's attorney general also is investigating the oil company as a result of the published reports.

Exxon Mobil did not respond to several requests for comment made by telephone and email.

A spokesman for Harris declined to confirm the investigation.

U.S. Rep. [Ted Lieu](#) (D-Torrance), who has called on federal authorities to investigate Exxon Mobil, praised Harris' decision.

Lieu said the investigation means that any damages won from Exxon Mobil could benefit Californians.

"I commend ... Harris for taking this action," he said.

Lieu said he has sent letters to U.S. Atty. Gen. Loretta Lynch and the [U.S. Securities and Exchange Commission](#) calling for federal investigations of securities fraud and violations of racketeering, consumer protection, truth in advertising, public health, shareholder protection or other laws.

Lieu said he hopes the decision by Harris, representing a state with the eighth-largest economy in the world, will prompt other states and the [Justice Department](#) to investigate.

"I think this action will be taken very seriously by Exxon Mobil," Lieu said.

Richard Keil, an Exxon Mobil spokesman, previously said that the company denies any wrongdoing in

regard to the climate-change reports.

"We unequivocally reject allegations that Exxon Mobil suppressed climate change research contained in media reports," Keil said in a statement issued in response to the letters sent in October by Lieu and [Mark DeSaulnier](#) (D-Concord). Keil issued a statement with the same quote in early November when the New York investigation became public.

Exxon Mobil continues to face calls from several current and former U.S. lawmakers for criminal investigations based on the media reports. They include Hillary Clinton, Bernie Sanders and Al Gore.

It is unclear what approach Harris intends to take in California's investigation.

Harris' office is casting a wide net and looking at a variety of issues, according to the person familiar with the matter.

Legal experts say the SEC requires that companies disclose the risks of climate change to their business operations but that the agency has taken almost no action to enforce it.

The moves by California and New York are seen as a step to fill that void.

Exxon Mobil already has received a subpoena for documents dating from 1977 from the office of Eric Schneiderman, New York's attorney general.

Schneiderman has at his disposal New York's Martin Act, a law that gives the state's attorney general broad power to prosecute companies for financial fraud.

Unlike federal securities law, the New York statute does not require the state to prove that a company intended to defraud — only that it misrepresented relevant information or withheld it from investors.

The law applies to any company doing business in the state.

*[ivan.penn@latimes.com](mailto:ivan.penn@latimes.com)*

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# Massachusetts and the U.S. Virgin Islands have launched their own investigations into whether Exxon Mobil deceived the public about climate change

March 29, 2016, at 3:57 p.m.

By JAKE PEARSON, Associated Press

NEW YORK (AP) — Attorneys general in the U.S. Virgin Islands and Massachusetts are investigating whether Exxon Mobil deceived the public or shareholders about the effects of climate change, joining similar inquiries into the oil giant launched by New York and California.

The investigations announced Tuesday came as nearly two dozen state attorneys general said at a New York news conference that they'd formed a coalition to explore legal ways to combat global warming by filing lawsuits and briefs or by opening environmental, consumer or financial probes.

Former Vice President Al Gore, who joined the attorneys general, likened the approach to how states took on the tobacco industry decades ago.

"We have heard the scientists, we know what's happening to the planet, there is no dispute," said Eric Schneiderman, New York's attorney general. "But there is confusion, confusion sowed by those with an interest in profiting from the confusion and creating misperceptions in the eyes of the American public that really needs to be cleared up."

The state investigations followed news reports by InsideClimate News and others that internal Exxon documents from the late 1970s showed an awareness that global warming might threaten the company's existence. The reports also disclosed that company scientists found burning fossil fuels would warm the planet resulting in harmful consequences.

In a statement, Suzanne McCarron, Exxon's vice president for public and government affairs, called such allegations politically motivated and baseless.

"The allegations are based on the false premise that ExxonMobil reached definitive conclusions about anthropogenic climate change before the world's experts and before the science itself had matured, and then withheld it from the broader scientific community," she said. "Such a claim is preposterous."

U.S. Virgin Islands Attorney General Claude Earl Walker said he wanted to know what, and when, a large energy company knew about climate change. His office confirmed Exxon was the target of that investigation.

"We will not stop until we get to the bottom of this and make it clear, to our residents as well as the American people, that we have to do something transformational," he said. "We cannot continue to rely on fossil fuel."

Companies that "deceived investors and consumers about the dangers of climate change should be held accountable," said Massachusetts Attorney General Maura Healey.

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# A Closer Look at the Texas Twist in Fight Between Exxon, Virgin Islands


Texas Attorney General Ken Paxton is trying to intervene in an effort to thwart an investigation into whether Exxon Mobil misled investors about the risks of climate change. Here's a guide to Paxton's effort and how it fits into the much broader climate change battle in the United States. [f](#) [t](#)

BY **JIM MALEWITZ** JUNE 27, 2016 6 AM



Texas Attorney General Ken Paxton testifies how his faith



is getting him through his recent legal woes during a speech to a gathering at the Republican Party of Texas gathering in Dallas May 14, 2016.  The Texas Tribune/Bob Daemmrich

Standing in front of a Fort Worth courthouse last month, Texas Attorney General [Ken Paxton](#) [announced an effort](#) to strike back against what he described as an out-of-stater's trampling of a Texan's First Amendment rights.

In this case, the aggrieved constituent was a multinational oil and gas conglomerate: Exxon Mobil Corp., headquartered in Irving. The company was asking a Texas court to halt a [U.S. Virgin Islands investigation](#) into what it has known about how burning fossil fuels accelerate climate change. And Paxton, with Alabama Attorney General Luther Strange — a fellow Republican — had just filed a [plea to intervene](#) in the case.

“What is Exxon Mobil’s transgression? Holding a view about climate change that the Attorney General of the Virgin Islands disagrees with,” Paxton said in Fort Worth. “This is about the criminalization of speech and thought.”

The Republican’s decision to thrust Texas into the company’s legal battle was incredibly unorthodox, several legal experts told The Texas Tribune. “It’s very rare,” said Tracy Hester, a professor of environmental law at the University of Houston. “Startlingly rare — particularly to have the attorney general intervene on behalf of a party that has the resources of Exxon.”



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Though Paxton and Gov. [Greg Abbott](#), his predecessor, have often lined up with energy industries and other business groups in opposing various federal regulations in court, Hester and other legal experts could not recall Texas wading into a similar battle concerning just one corporation.

“Typically, large corporations don’t need a lot of assistance from the Attorney General,” David Adelman, a professor of environmental law at the University of Texas at Austin.

Associate Deputy for Special Litigation Austin Nimocks, who is leading the the Exxon Mobil-related effort in Paxton's office, pushed

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***“It’s four-dimensional speed chess played for enormous stakes.”***

— Tracy Hester, professor of environmental law at the University of Houston



back against  
characterizations of  
the office going to bat for one company.

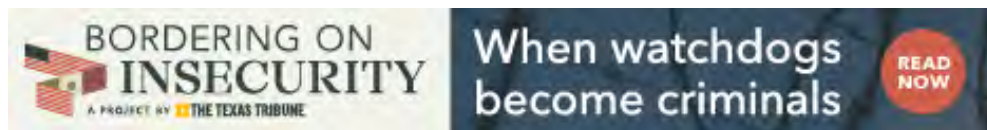
“Our intervention was not in any way technically or realistically on behalf of anybody,” he said.  
“We intervened on behalf of the State of Texas.”

The squabble is part of a new front in a broader debate about how — and to some extent whether — the nation should pitch in to combat climate change, a phenomenon exacerbated by carbon dioxide and other greenhouse gas emissions, according to the overwhelming scientific consensus.

The political context is relatively straightforward: Paxton is siding with a host of anti-regulation Republicans in pushing back against aggressive actions — from mostly Democrats — to address climate threats by cracking down on emissions. But the legal nuts and bolts of the Virgin Islands case and similar battles are far more complicated.

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“You end up with an incredibly complex dispute,” Hester said. “It’s four-dimensional speed chess played for enormous stakes.”

Here’s a guide to Paxton’s effort and how it fits into the much broader climate change battle in the United States.

## What are Exxon Mobil and the Virgin Islands fighting about?

In March, Virgin Islands Attorney General Claude Walker issued a subpoena demanding that the energy giant produce four decades of internal records related to the company's understanding of climate change.

Walker, who has accused Exxon Mobil of manufacturing a product that is "destroying this earth," is examining whether the company violated the territory's anti-racketeering laws. The investigation is largely focused on whether Exxon Mobil misrepresented its "knowledge of the likelihood" that its products and activities contributed to climate change, according to the subpoena.

Walker, a political independent, is among at least four U.S. attorneys general — including Democrats in New York, California and Massachusetts — investigating whether Exxon Mobil publicly downplayed the risks of manmade climate change, even as its own scientists warned company executives of the phenomenon's consequences and published research along those lines.

That effort has emerged amid a high-profile legal battle over President Obama's Clean Power Plan, which has split attorneys general mostly along party lines.

***READ MORE*** [\*With Clean Power Plan Ruling,\*](#)



## *Texas Dodges Climate Action*

The Exxon Mobil investigation followed a series of reports by the [Los Angeles Times](#), [Inside Climate News](#) and other outlets revealing inconsistencies in the ways the company approached climate change in-house and publicly.

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The company has repeatedly denied any wrongdoing.

“This is a preposterous, illogical thesis that we somehow knew all there was to know about science before it was developed and before the rest of the world’s experts,” spokesman Alan Jeffers told the Tribune.

The conglomerate has refused to turn over the records. In April, it asked a Texas district judge to quash the Virgin Islands subpoena. In its lawsuit — since [moved to a U.S. district court in Fort Worth](#) — Exxon Mobil alleges that Walker’s subpoena is politically motivated and violates several constitutional protections: free speech, to be free of unreasonable searches and seizures and due process of law.

Exxon Mobil also argues it has no business in the Virgin Islands. Its petition calls the investigation

“an abusive fishing expedition,” intended to prevent the company from publicly weighing in on climate change “with the hope of finding some ammunition to enhance Attorney General Walker’s position in the policy debate.”

Walker, whose office did not respond to a request to comment for this story, has pushed back against that characterization. In a [letter to a firm](#) representing Exxon Mobil, he noted his territory’s employee retirement system has owned “tens of thousands of shares of Exxon Mobil since at least 2010, and would have received misrepresentations made to investors, as would other shareholders in the Virgin Islands.”

## What is Texas arguing in court?

Publicly, Paxton has framed this almost entirely as First Amendment issue.

“[Attorney General Paxton Intervenes in First Amendment Case](#),” was the headline on a press release announcing his intervention.

In an [opinion piece](#) for the conservative Daily Caller, Paxton wrote: “A government official is actually using his prosecutorial power to attack a company for nothing more than expressing an opinion that’s unpopular with the environmental left.”

Exxon Mobil has also made that argument, which is gaining steam. [In an open letter published this month](#), a dozen other attorneys general joined Paxton in calling for an end to the investigation,

citing free speech concerns.

Critics of Exxon Mobil suggest that Paxton and others making such arguments are failing to distinguish First Amendment rights from prohibitions against fraud — misrepresentations to investors.

But Texas and Alabama don't specifically raise the speech issue in their [filing](#), which focuses on Walker's use of outside counsel: the high-profile class-action firm [Cohen Milstein](#), based in Washington, D.C., which could stand to profit in Exxon Mobil was made to pay penalties in the case.

"We are specifically as a state concerned about the principle of pursuing criminal matters on a contingency fee basis," Nimocks said. "It's unprecedented that a prosecutor has a personal or direct stake in the outcome of a criminal matter, and when General Paxton saw that he became very concerned."

Walker contends that the firm is only assisting the Virgin Islands, which has not delegated it prosecutorial authority.

Hester, the University of Houston expert, said it is not rare for attorneys general to use outside counsel in major public nuisance or environmental cases (one example: states' battles against the tobacco industry), though the practice is controversial. Prosecutors don't use outside help for criminal prosecutions, the specific issue Texas has raised in court. But the Virgin Islands,

he added, is more likely to pursue a civil case — not a criminal one.

### **Does Texas have standing in the case?**

That's undecided. As of Monday morning, the court had not ruled.

### **Will Paxton insert himself into Exxon Mobil's other climate-related disputes?**

That's not clear. Last week, the company asked the same U.S. district court in Fort Worth to quash a subpoena issued by Massachusetts Attorney General Maura Healey. Paxton has not yet asked to intervene.

Though otherwise similar to the Virgin Islands case, Healey's office has not hired outside help at this stage.

### **Has Paxton accepted political contributions from Exxon Mobil?**

Yes, but not many. Since 2005, Paxton has reported receiving just \$6,350 from Exxon Mobil employees and its political action committee, according to Texas Ethics Commission data.

But as is typical in Texas, he has received hundreds of thousands of dollars from fossil fuel interests at large.

### **Are any other Texas officials involved in this fight?**

Ralph Duggins, a partner at the firm Cantey

Hanger and vice chairman of the Texas Parks and Wildlife Commission, is one of Exxon Mobil's attorneys in the Virgin Islands and Massachusetts cases.

He referred questions about the case to Exxon Mobil's press office.

**Does Exxon Mobil currently refute the overwhelming scientific consensus that humans are accelerating climate change?**

No. That's another wrinkle.

Unlike many Texas Republicans, Exxon Mobil says it outwardly accepts the science today.

“The risk of climate change is clear, and the risk warrants action,” the company’s [website says](#).

“Increasing carbon emissions in the atmosphere are having a warming effect.”

“We are very interested in being part of the solution to the risks of climate change,” Jeffers, the company’s spokesman said, noting its major investments in efficiency technology and [carbon capture projects](#).

Exxon has also called for a tax on carbon, and Jeffers said it has been disclosing climate risks to its investors for several years. The issues swirling in the legal case concern when Exxon acknowledged those climate realities and how it portrayed them in years past.

So statute-of-limitation questions could also arise.

*Disclosure: Exxon Mobil Corp., the University of Houston and the University of Texas at Austin have been financial supporters of The Texas Tribune. A complete list of Tribune donors and sponsors can be viewed [here](#).*



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ADDENDUM L

# How Exxon, under Rex Tillerson, won Iraqi oil fields and nearly lost Iraq

By **Missy Ryan** and **Steven Mufson** January 9

When Ashti Hawrami, the oil minister from Iraq's largely autonomous Kurdistan region, unfurled a map of untapped oil fields for a team of ExxonMobil officials in the spring of 2011, they saw possibility and profit.

The minister pointed to the blocks that had already been taken by other foreign firms as Iraqi Kurdistan, long at odds with the country's central government over oil and territory, raced to establish itself as a player on world oil markets. He also showed them the fields that were still up for grabs. Tell me what you want, and we can start negotiating, Hawrami said, according to one former Exxon official who attended the meeting.

It was the start of months of hurried talks blessed by ExxonMobil's chief executive, Rex Tillerson, and other senior executives back in Dallas. The company was making a high-stakes gamble that new agreements would pay off handsomely if the northern region held billions of barrels of accessible oil.

But the deal overseen by Tillerson, whose confirmation hearings to become



secretary of state begin Wednesday, defied U.S. foreign policy aims, placing the company's financial interests above the American goal of creating a stable, cohesive Iraq. U.S. diplomats had asked Exxon and other firms to wait, fearing that such deals would undermine their credibility with Iraqi authorities and worsen ethnic tensions that had led Iraq to the brink of civil war. A law governing nationwide oil investments was tied up in parliament, and Iraqi officials were rejecting the Kurdistan regional government's authority to export oil or cut its own deals.

When word of Exxon's partnership with the Kurds reached Washington, the State Department chided the oil firm: "When Exxon has sought our advice about this, we asked them to wait for national legislation. We told them we thought that was the best course of action," then-spokeswoman Victoria Nuland said.

Exxon's 2011 exploration deal with the Kurdistan region provides a window into how Tillerson, President-elect Donald Trump's nominee to lead the State Department, has approached doing business in one of the world's most risky, complicated places, where giant energy deals can have far-reaching political effects.

The episode of petro-diplomacy illustrates Exxon's willingness to blaze its own course in pursuit of corporate interests, even when it threatens to collide with U.S. foreign policy.

When Iraq's central government threatened to throw Exxon out of much larger, established operations in the south, Tillerson personally intervened, using his executive clout to smooth things over with authorities in Baghdad while making clear his company would weather the political fallout in pursuit of its central goal: a profitable deal.

"It's a big company that looks for ways to make money like all big companies," Philip H. Gordon, a former White House coordinator for Middle East policy, said of Exxon. He said the controversial Iraqi Kurdistan

contracts reflected a natural corporate instinct to act in the interest of shareholders, not the U.S. government.

If Tillerson is confirmed, “I would hope that he’d realize that he’s serving the interests of the country and not the interests of Exxon,” said Gordon, now a fellow at the Council on Foreign Relations.

Lawmakers will weigh Tillerson’s decades-long track record at Exxon this week when they convene to consider his nomination to be the next U.S. foreign policy chief.

The world’s largest oil firm, Exxon has long exercised formidable clout in countries where it does business. The company has not shied away from controversy, inking deals with autocratic governments and speaking out against sanctions, such as those the United States has imposed on Russia, that hurt its bottom line.

Exxon was one of the firms hungry to do business in Iraq, closed to outside investors for decades, after the ouster of Saddam Hussein in 2003. By 2009, the Iraqi government had put its top fields on offer. While the terms of those deals were seen as stingy — paying \$1.50 to \$2 a barrel — firms signed on anyway, betting that a foot in the door would lead to other, more-lucrative opportunities. Exxon and its partner Shell snared the rights to West Qurna, a massive field in the country’s south.

But Iraq, looking to retain tight control of precious resources after years of U.S. occupation, never offered the more advantageous deals.

“Some said, ‘Let’s take this as an appetizer, not the main course,’ ” said Fadel Gheit, an oil analyst for Oppenheimer & Co. “Then they were told, ‘No, this is the course.’ ”

At their sprawling, bunker-like embassy in Baghdad, American diplomats heralded the new deals as a validation of U.S. ambitions to transform Iraq

into a stable, business-friendly outpost in the Middle East. If it was an American company landing one of the country's biggest fields, all the better.

But Exxon officials were growing increasingly dismayed by early 2011 as they saw their narrow profit margin in southern Iraq all but disappear. To make matters worse, the Iraqi government was constantly in arrears. By the end of that year, it owed Exxon about \$1 billion, according to a former Exxon official.

Ali Khedery, who advised U.S. officials in Iraq before joining Exxon in 2011, argued that the Kurdistan region was one way to offset the disappointment in southern Iraq.

Oil reserves in the northern region had not been explored, but its basins appeared to make it "one of the world's most promising regions for the future [of] hydrocarbon discovery," one paper said, with potentially as much as 55 billion untapped barrels.

In its capital city of Erbil, the region's government portrayed itself as a Western-friendly alternative to Baghdad, where car bombs and militiamen continued to keep outside investors away. For Kurdish leaders, establishing the region in world oil markets was a crucial step toward the dream of eventual independence.

Beginning in 2002, Kurdish leaders had welcomed small firms that were willing to brave an untested environment. By 2011, as Kurdish ties with neighbor Turkey improved, a hoped-for export pipeline looked more likely.

But much about doing business in Iraqi Kurdistan remained laden with risk. Since 2003, Kurds had sparred with the Arab-led government in Baghdad over disputed areas and budget revenue. In the years leading up to Exxon's deal, Kurdish peshmerga troops had come close to open conflict with the Iraqi army, forcing the United States to intervene.

“This was part of a bigger game of political leverage that was going on since the overthrow of Saddam in 2003, taking advantage of a weak central government, an ambiguous constitution,” Denise Natali, an expert on northern Iraq at National Defense University in Washington, said of Kurdish attempts to expand influence through oil deals.

But Khedery said the region remained attractive. “Despite it being far from perfect — the endemic corruption, the factionalism — the bottom-line assessment was that Kurdistan was going to be a much better operating environment than the Arab portion of the country,” he said.

In April 2011, after internal briefings about Iraq to senior Exxon officials, a team from Exxon and Shell met with Kurdish officials. Kurdish and company executives eventually settled on six fields that would be explored by the foreign firms. Afraid of losing out to other firms, Exxon raced to finish the talks. After Shell dropped out at the last minute, the company concluded the contract in October 2011.

When news of the deal broke, some U.S. officials felt they were not given adequate notice by Exxon. Former company officials dispute that account. Either way, diplomats were worried the deal would disrupt parliamentary negotiations over the oil law and undercut their clout with Prime Minister Nouri al-Maliki at a particularly sensitive time. For months, U.S. and Iraqi officials had been holding tense talks over a proposal to leave thousands of American troops beyond a departure deadline at the end of 2011. Only a few days after Exxon signed its deal, President Obama abruptly announced the talks had failed: All U.S. troops would be gone by year’s end, officially bringing the war to an end.

In assessing the fallout from the Kurdistan deal, U.S. diplomats were worried Iraq would throw Exxon out of the south, where they had also signed on to a deal that would be important in helping Iraq increase production across its biggest fields.

U.S. officials had long cautioned American firms against signing deals with Iraqi Kurdistan before the oil legislation was completed, but they stopped short of telling them they could not do them — they had no power, former officials said, to do so.

“The U.S. government position with American and other firms seeking to engage in the north was to explain the complexities, warn of the unsettled nature of the laws applying to that, point out the complications in trying to get any oil discovered and produced out of Kurdistan, given the position of the Iraqi government,” said then-Ambassador James Jeffrey, who now acts as an adviser to Exxon.

Adding to the friction, three of Exxon’s new blocks were in areas claimed by both Baghdad and Irbil, outside of the regional borders set before 2003. Despite the unresolved status of those areas, Kurdish officials argued that they, not the Iraqi government, controlled those plots. Exxon lawyers concluded contracts for those areas would be legal.

When Hussein al-Shahristani, who was Iraq’s oil minister at the time Exxon signed its deal for West Qurna, learned about the deal, he was irate.

“The position of the Iraqi government was always to reject this, and the company was informed that this was a violation of Iraqi law,” Shahristani said. While Iraq sought to deal with foreign firms “with trust and good intentions,” he said, “this move by ExxonMobil shook our confidence in them.”

In securing the Exxon deal, Iraqi Kurdistan had wooed one of the largest U.S. companies and got it to lay claim to disputed areas, creating a foundation for greater independence and clearing a path for other companies, including Chevron, to follow.

“People said, ‘This is a boomtown.’ You couldn’t talk rhyme or reason, they were so excited about it,” Natali said of companies’ view of their Kurdistan

oil prospects. “They created a bubble that ignored history, domestic politics, geopolitics.”

Bayan Sami Abdul Rahman, Irbil’s envoy to the United States, said that Kurdistan’s oil contracts “have put the Kurdistan region on the global energy map and have helped to internationalize our economy after years of enforced isolation.”

Officials in Baghdad saw Exxon’s decision to sign up for blocks such as Bashiq, which lies entirely outside the current Kurdistan regional borders, as siding with Kurds in the land dispute.

“When any company comes and works in those areas, it’s clear that it’s contributing in inflaming a conflict and pouring oil on the flames,” Shahrستاني said.

Alan Jeffers, a spokesman for Exxon, said the company followed “all laws and regulations” in pursuing the Iraqi Kurdistan deal. “Issues involving management of hydrocarbon resources in the Kurdistan region of Iraq are for the Iraqi people to resolve,” he said.

Shahrستاني, who by the fall of 2011 had become deputy prime minister for energy matters, advised Maliki to withdraw the Qurna contract and take Exxon to international arbitration.

As Baghdad made threats, Exxon tried to convince Iraqi officials that greater production would benefit the country in the long run. In January 2013, Tillerson flew to Baghdad and met with Maliki himself.

There, Tillerson told Maliki that Exxon was “prepared to stay and operate in both [parts of the country] and it was the Iraqi government’s choice,” said a former senior State Department official who spoke on the condition of anonymity because of the sensitivity of the issue. “He didn’t blink. In the end, he came away with that deal.”

By that point, the stakes in assessing a potential expulsion were already lower for Exxon, which had begun selling off parts of its unprofitable West Qurna interests. The Iraqi Oil Ministry, despite its threats, never brought legal action against Exxon, but it did seek to exclude Exxon from a later auction and push it out of the southern production-boosting project.

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“I think a big part of it was Tillerson,” the former official continued. “He personally went out and negotiated with all the individuals including Maliki and explained why it was in their interest to have the largest private oil company in the world operating in Iraq and the negative signals that would be sent if they would leave them out.”

Even after weathering the blowback from Baghdad, disappointing exploration results prompted Exxon to pull out of three of its six northern blocks in early 2016, walking away after spending over \$500 million, according to the Iraq Oil Report. Like other firms, Exxon had found that Iraqi Kurdistan was not as good a deal as hoped.

One official with a rival oil company, speaking on the condition of anonymity to discuss another major energy firm, said companies such as Exxon approach doing business in risky, politically unsettled places such as Iraq with a decades-long perspective. “You may not like the administration in any particular country today, but in 10 years time there’s going to be a different government,” he said.

In the end, he said, big firms “have to go to where the oil is and then manage the politics around that.”

*Mustafa Salim in Baghdad, Loveday Morris in London and Karen DeYoung and Julie Tate in Washington contributed to this report.*